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TITLE 6—AGRICULTURAL CREDIT

Chapter IV—Production and Marketing Administration and Commodity Credit Corporation, Department of Agriculture

Subchapter A—General Regulations and Policies

PART 401—STATEMENT OF POLICY REGARDING DISPOSAL OF FOOD COMMODITIES UNDER SECTION 416 OF THE AGRICULTURAL ACT OF 1949

Pursuant to the authority contained in section 416 of the Agricultural Act of 1949, Public Law 439, 81st Congress, the policies of the Secretary of Agriculture and the Commodity Credit Corporation for the disposal of food commodities under section 416 (15 F. R. 7793) are hereby revised and reissued to read as follows:

Sec.
401.101 General purpose and scope.
401.102 Administration.
401.103 General conditions.
401.104 Munitions Board and other Federal Agencies.
401.105 School Lunch Programs, Bureau of Indian Affairs, Federal, State, and local public welfare organizations, private welfare organizations (for the United States, its Territories and Possessions).
401.106 Private welfare organizations assisting needy persons outside the United States, its Territories, and its Possessions.
401.107 Miscellaneous provisions.

AUTHORITY: §§ 401.101 to 401.107 issued under sec. 416, 63 Stat. 1058; 7 U. S. C. Sup., 1431.

§ 401.101 *General purpose and scope.* This part announces the policies of the Secretary of Agriculture and the Commodity Credit Corporation, hereinafter referred to as CCC, with respect to disposals of food commodities under section 416 and sets forth general requirements indicating how eligible organizations can qualify and obtain food commodities which may be made available for disposition. Section 416 reads as follows:

In order to prevent the waste of food commodities acquired through price support operations which are found to be in danger of loss through deterioration or spoilage before they can be disposed of in normal domestic channels without impairment of the price support program, the Secretary of Agriculture and the Commodity Credit Corporation are authorized, upon application by the Munitions Board or any other Federal agency and on such terms and under such regulations as may be deemed in the public interest, to make such commodities available to any such agency for use in making payment for commodities not produced in the United States. Any such commodities which are not disposed of pursuant to the foregoing sentence may be made available by the Secretary and the CCC at the point of storage at no cost save handling and transportation costs incurred in making delivery from the point of storage, as follows in the order of priority set forth: First, to school lunch programs; and to the Bureau of Indian Affairs and Federal, State, and local public welfare organizations for the assistance of needy Indians and other needy persons; second, to private welfare organizations for the assistance of needy persons within the United States; third, to private welfare organizations for the assistance of needy persons outside the United States.

§ 401.102 *Administration.* The Production and Marketing Administration, hereinafter referred to as PMA (CCC), of the United States Department of Agriculture will be responsible for administration of section 416 program operations under the direction and supervision of the President of CCC.

§ 401.103 *General conditions.* (a) Food commodities available for disposal under this regulation will be offered to eligible organizations in the order of priority prescribed in section 416. Where quantity, location or condition of the commodity make it undesirable for use by organizations having higher priorities, PMA (CCC) may make offers directly to eligible organizations with the highest priority which can satisfactorily accept and use the commodities.

(b) Eligible organizations receiving food commodities under section 416 will be required to agree to such terms and conditions as PMA (CCC) considers necessary to insure that disposition of the food commodities will not impair CCC price support operations.

(c) Eligible organizations receiving food commodities under section 416 will maintain such records, and furnish such reports and documentation as are prescribed by the PMA (CCC).

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§ 401.104 *Munitions Board and other Federal agencies.* (a) The Munitions Board and other Federal agencies which desire to utilize available food commodities in making payment for commodities not produced in the United States, shall make written request to the Director, Food Distribution Branch, PMA (CCC) United States Department of Agriculture, Washington 25, D. C., that they be notified concerning proposed food disposals. Those Federal agencies which have previously made such written request to the Director, Price Support and Foreign Supply Branch, PMA (CCC) United State Department of Agriculture, will not be required to renew such request.

(b) As food commodities are determined to be available for disposal pursuant to section 416 to Federal agencies, PMA (CCC) will furnish notifications to all Federal agencies which have submitted written requests. Such notifications will contain pertinent information concerning the commodities available and will indicate the manner in which applications for such commodities are to be submitted. Disposals made under this section will be covered by written agreement between the PMA (CCC) and the Federal agencies specifying the terms and conditions of the transfer.

§ 401.105 *School Lunch Programs, Bureau of Indian Affairs, Federal, State, and local public welfare organizations, private welfare organizations (for the United States, its Territories, and Possessions)* (a) Any quantity of food commodities made available under section 416 which has not been disposed of under § 401.104 may be offered to the following organizations in the order of priority set forth:

(1) To School Lunch Programs and to the Bureau of Indian Affairs and Federal, State, and local public welfare organizations for the assistance of needy Indians, and other needy persons.

(2) To private welfare organizations for the assistance of needy persons.

(b) For the purposes of this section, PMA (CCC) will be responsible for determining the eligibility of organizations to receive surplus food commodities.

(c) Organizations now operating under agreements with the United States Department of Agriculture to act as its distributing agency for the distribution of section 32 surplus agricultural commodities to School Lunch Programs, and other authorized outlets, may qualify to act as distributing agencies under section 416.

(d) Eligible organizations must agree in writing to terms and conditions which will govern disposals before they can receive food commodities under section 416. These terms and conditions will include as a minimum the following specific provisions as well as any other provisions considered necessary by the United States Department of Agriculture:

(1) Eligible organizations will, in accepting offers, take the food commodities from CCC at the point of storage, wherever situated, and will remove such commodities within a reasonable period of time as specified by PMA (CCC)

(2) Eligible organizations will dispose of such food commodities only by distribution to participants who are eligible under section 416.

(3) Eligible organizations will not reduce expenditures for food because of the receipt of donated commodities.

(e) Interested organizations desiring information concerning the program may make written request to the Area Office, Food Distribution Branch, PMA (CCC) serving the State or Territory as follows:

Atlanta 5, Ga., 50 Seventh Street NE.: Florida, Georgia, North Carolina, South Carolina, Virginia, Tennessee, Mississippi, Kentucky, Alabama.

Chicago 5, Ill., 623 South Wabash Avenue: Illinois, Ohio, Indiana, Iowa, South Dakota, North Dakota, Michigan, Missouri, Minnesota, Nebraska, Wisconsin.

Dallas 2, Tex., 114 Commerce Street, Room 1814: Kansas, Arkansas, Louisiana, Texas, New Mexico, Oklahoma, Colorado.

New York 13, N. Y., 139 Centre Street, Room 802: Maine, Delaware, New Hampshire, Vermont, West Virginia, Rhode Island, Connecticut, Pennsylvania, New Jersey, New York, Maryland, District of Columbia, Massachusetts.

San Francisco 11, Calif., 630 Sansome Street, Room 626: Appraisers Building: Montana, Wyoming, Nevada, California, Arizona, Washington, Idaho, Oregon, Utah.

Honolulu, T. H., 303 Dillingham Building: Hawaii.

Santurce, P. R., P. O. Box 8037, Fernandez Juncos Station: Puerto Rico and Virgin Islands.

(f) As commodities become available under section 416 for disposal under this section, Area Offices of the Food Distribution Branch will make available general information through State PMA Offices. Also, the Area Offices of the Food Distribution Branch will notify eligible recipient organizations, either directly or through their authorized distributing agencies. The notification will include information regarding the quantity of food commodities available, location, deadline date for acceptance and method of acceptance.

§ 401.106 *Private welfare organizations assisting needy persons outside the United States and its Territories.* (a) Any quantity of food commodities made available under section 416 which has not been disposed of under §§ 401.104 and 401.105 may be made available to private welfare organizations for the assistance of needy persons outside the United States, its Territories, and Possessions.

(b) PMA (CCC) will be responsible for determining the eligibility of private welfare organizations to receive food commodities under section 416. For the purposes of this section, a private welfare organization shall be any United States voluntary nonprofit relief agency engaged in assisting needy persons outside the United States. In making this determination, PMA (CCC) will require certification that:

(1) The agency is directed by an active and responsible board of American citizens who serve without compensation, and who have accepted the responsibility of carrying out the activities of the agency.

(2) The agency is not engaged in commercial or political activity and the purposes of the agency's program are in the interest of the United States.

(3) Contributions to the agency are eligible for tax exemptions under income tax laws.

(4) The accounts of the agency are regularly audited by a certified public accountant.

(5) The agency's reports of income and expenditures, its transfers of funds, and its records of exports of commodities are open for public inspection.

(6) The agency prepares its general programs and projects by country of operation on an annual basis with revisions at least quarterly.

(7) The agency's general program and projects for a particular country, and the supplies in support thereof, have been approved by such country.

(8) The Government of the country in which the CCC food commodities are to be distributed affords appropriate facilities for the necessary and economical operation of the agency's general program and projects.

(9) The agency will assume responsibility for noncommercial distribution of the food commodities free of cost to the persons ultimately receiving them, distribution of the food commodities will be supervised by United States citizens, and such food commodities will be appropriately marked as U. S. Government donations.

(10) The agency is registered with and its Foreign Relief programs are approved by the Advisory Committee on Voluntary Foreign Aid of the Foreign Operations Administration.

(c) As food commodities become available for disposal under this section, PMA (CCC) will mail to all eligible welfare organizations, an Announcement of Availability which will contain pertinent information regarding the commodity and method of acceptance. All commodities accepted must be utilized in

accordance with the terms and conditions in the Announcement of Availability which will include the following specific conditions:

(1) Eligible organizations will take the food commodities from CCC at point of storage, wherever situated, and will export such commodities within a reasonable period of time as specified by PMA (CCC)

(2) Eligible organizations will dispose of such food commodities only by distribution to participants who are eligible under section 416.

(3) Eligible organizations will not reduce expenditures for food because of the receipt of donated commodities.

(4) Eligible organizations will take such precautions as may be necessary to preclude the import of such donated food commodities into the United States.

§ 401.107 *Miscellaneous provisions*—(a) *Disqualification and compliance clause.* Any organization or group receiving food commodities under section 416 may be disqualified by PMA (CCC) from future participation if it fails to comply with the provisions of this regulation or of other pertinent rules and regulations. This does not preclude the possibility of other action being taken through other means available where considered necessary by PMA (CCC) Fraud in the acquisition, handling or disposition of food commodities under section 416 will be prosecuted under applicable Federal statutes.

(b) *Savings clause.* PMA (CCC) may waive, withdraw, or amend, at any time, or from time to time, any or all of the provisions of this part.

Effective date. This part shall become effective immediately upon issuance.

Issued August 12, 1953.

[SEAL] JOHN H. DAVIS,
President,
Commodity Credit Corporation.

Approved: August 12, 1953.

E. T. BENSON,
Secretary of Agriculture.

[F. R. Doc. 53-7213; Filed, Aug. 14, 1953; 8:52 a. m.]

Subchapter C—Loans, Purchases, and Other Operations

[1953 C. C. C. Grain Price Support Bulletin 1, Supp. 1, Amdt. 1, Rice]

PART 601—GRAINS AND RELATED COMMODITIES

SUBPART—1953-CROP RICE LOAN AND PURCHASE AGREEMENT PROGRAM

SUPPORT RATES

Regulations issued by the Commodity Credit Corporation and the Production and Marketing Administration published in 18 F R. 3981 and containing the requirements for the 1953-Crop Rice Loan and Purchase Agreement Program are hereby amended as follows:

In § 601.183 *Support rates,* paragraph (a) is amended to include the value factors for head and broken rice in the table bearing the heading "Value Factors for Head and Broken Rice" so that the table will read as follows:

VALUE FACTORS FOR HEAD AND BROKEN RICE

Rough rice class	Head rice	Broken rice
Rexoro (including Rexark), Patna, Blue Bonnet, and Nira	$0.0910	$0.0400
Fortuna, R. N., and Edith	.0351	.0400
Blue Rose (including Improved Blue Rose, Greater Blue Rose, Kamrose, and Arkrose), Magnolia, Zenith, Prelude, and Lady Wright	.0810	.0400
Early Prolific, Pearl, Calady, Calrose, and other classes	.0725	.0400

(Sec. 4, 62 Stat. 1070, as amended; 15 U. S. C. Sup., 714b. Interprets or applies sec. 5, 62 Stat. 1072, secs. 101, 401, 63 Stat. 1051, 1054; 15 U. S. C. Sup. 714c, 7 U. S. C. Sup. 1441, 1421)

Issued this 11th day of August 1953.

[SEAL] M. B. BRASWELL,
Acting Executive Vice President,
Commodity Credit Corporation.

Approved:

JOHN H. DAVIS,
President,
Commodity Credit Corporation.

[F. R. Doc. 53-7215; Filed. Aug. 14, 1953; 8:53 a. m.]

[1953 C. C. C. Cottonseed Bulletin 2, Amdt. 1]

PART 643—OILSEEDS

SUBPART—1953 COTTONSEED PURCHASE PROGRAM

MISCELLANEOUS AMENDMENTS

The regulations issued by Commodity Credit Corporation and the Production and Marketing Administration, published in 18 F R. 3986 as 1953 C. C. C. Cottonseed Bulletin 2 and containing the terms and conditions with respect to the 1953 Cottonseed Purchase Program, are hereby amended to be in accordance with a change in the 1935 Cottonseed Price Support Program which provides that oil millers participating in the program may tender products from any 1953-crop cottonseed, provided they pay not less than specified support prices. Changes in Bulletin 2 to delete certain references to the participating oil millers, therefore became necessary or advisable.

1. Section 643.875 *General statement* is amened to read as follows:

§ 643.875 *General statement.* The purchase program provided for in this subpart is a part of the 1953 Cottonseed Price Support Program formulated by Commodity Credit Corporation (hereinafter referred to as CCC) and the Production and Marketing Administration (hereinafter referred to as PMA) This subpart states the terms and conditions (a) under which cotton ginners, who file with the appropriate PMA county office notice of their intention to participate in the program and who execute and deliver certificates as required by CCC (see § 643.881) evidencing compliance with the terms of this subpart (such ginners hereinafter referred to as participating ginners), may purchase 1953-crop cottonseed produced in the United States from producers, in order to sell such cottonseed to CCC in accordance with this subpart, in cases where nonparticipation by oil millers under the provisions of 1953 CCC Cottonseed Bulletin 3 (oil millers participating under said Bulletin will hereinafter be referred to as "participating oil millers"), makes purchases by CCC from participating ginners necessary, and (b) under which CCC will purchase 1953-crop cottonseed directly from producers in cases where nonparticipation by ginners under this subpart makes such purchases necessary. The program will be carried out by PMA under the general supervision and direction of the Executive Vice President, CCC. The requirements with respect to loans to producers are contained in the 1953 C. C. C. Cottonseed Bulletin 1.

2. In § 643.877 *Availability of purchases,* paragraph (c) *Source,* is amended to read as follows:

(c) *Source.* (1) Purchases of cottonseed eligible for purchase by CCC will be made by participating ginners from producers. Purchases will also be made directly from producers by CCC through county committees in areas where ginners do not participate in the program and the appropriate State committee determines that such direct purchases are necessary in order to make the program effective. Payments to producers for cottonseed purchased by CCC and for any authorized transportation performed by the producers in accordance with § 643.880, will be made by means of sight drafts drawn on CCC by county committees.

(2) Purchases of eligible cottonseed will be made by participating oil millers from participating ginners and others. Purchases will also be made from participating ginners by CCC through county committees in areas where oil millers do not participate in the program and the appropriate State committee determines that such purchases are necessary to make the program effective. Payments to participating ginners for cottonseed purchased by CCC will be made by means of sight drafts drawn on CCC by county committees.

(3) Lists of participating oil millers will be maintained in the New Orleans office and lists of participating ginners will be maintained in the State and county offices.

3. In § 643.880 *Purchase price,* paragraph (b) (1) is amended to read as follows:

(b) *Price to ginners.* (1) (i) Any purchases by CCC from participating ginners will be at the rate of $54.50 per net ton for basis grade (100) cottonseed, f. o. b. conveyance or carrier at the gin, with premiums and discounts for other grades equal to the same percentage of such price as the percentage by which the grade of cottonseed purchased exceeds or is less than basis grade (100) Cottonseed which are "below grade" or "off quality" will be purchased from participating ginners by CCC at the market

value of such cottonseed as determined by CCC. The grades of cottonseed purchased by CCC from such ginners shall be determined in accordance with the United States Official Standards for Grades of Cottonseed, by chemical analysis of samples drawn from the cottonseed by federally licensed cottonseed samplers or such other persons as are approved by CCC, and forwarded to federally licensed cottonseed chemists. A ginner tendering cottonseed for purchase by CCC must not have paid any producer for cottonseed purchased by the ginner on or after the date of filing notice of his intention to participate in the program, less than $50.50 per gross ton basis grade (100) plus or minus a percentage of such price equal to the percentage by which the average grade of cotton seed for the area in which the gin is located (see § 643.885) exceeded or was less than basis grade (100) Such average grade shall be determined on the basis of the latest PMA grade report for the area at the time of purchase from such producer or by such other method as the Executive Vice President, CCC, may approve. In areas where both upland and American-Egyptian cotton are grown, the PMA grade report for any such area shall report the average grade for each such type of cottonseed and the price to be paid producers in the area shall be determined on the basis of the average grade for the area for the type of cottonseed purchased. The average grade for Sea Island and Sealand cottonseed shall be considered to be that reported for cotton seed in the area in which such cotton seed are produced. If it is determined by the county and State committees that any participating ginner paid any producer less than the prices he should have paid under the foregoing provisions of this section, such ginner shall not be eligible to make any further sales to CCC under the 1953 Cottonseed Price Support Program.

(ii) Notwithstanding the preceding requirements as to price, a participating ginner, after first notifying the county committee for the county where the gin is located of his intention to do so, may reduce the price paid to producers below the price established on the basis of the average grade for the area: *Provided*, That the ginner shall not pay any producer, during the period he is paying such reduced price, less than $50.50 per gross ton basis grade (100) with price adjustments computed upon the difference between the average grade of cottonseed produced at the gin during such period and basis grade (100) The average grade of cottonseed produced at the gin during such period shall be determined on the basis of official chemical analysis or oil mill grade reports covering such cottonseed or on such other reasonable basis as may be approved by the county committee. The ginner shall furnish the county office with certified copies of such chemical analyses, grade reports, or other evidence satisfactory to the county committee, showing the average grade of cottonseed produced at the gin during such period. If it is determined by the State and county committees that any participating ginner paid producers less than the prices he should have paid in accordance with the preceding three sentences, such ginner shall be ineligible to make any further sales to CCC under the 1953 Cottonseed Price Support Program unless he first pays all of such producers the difference between the price paid to producers and the price they should have received.

(iii) A ginner may round per ton prices for cottonseed purchased from producers to the nearest multiple of 10 cents.

4. In § 643.881 *Approved forms*, paragraph (b) *Cotton ginners*, is amended to read as follows:

(b) *Cotton ginners.* (1) Each cotton ginner desiring to sell cottonseed to CCC pursuant to this subpart shall, prior to tender of any cottonseed for sale, file with the county office for the county in which each gin is located a Ginner's Notice of Intention to Participate (CCC Cottonseed Purchase Form 1) The filing of such notice does not obligate the ginner to sell any cottonseed to CCC, but all applicable provisions of this subpart must be complied with by the ginner if any cottonseed are offered by the ginner for sale to CCC under the 1953 Cottonseed Price Support Program.

(2) If cottonseed are sold to CCC, a Ginner's Certificate (CCC Cottonseed Purchase Form 2) shall be completed and executed by the participating ginner to cover all cottonseed purchased by him from producers and the form shall be submitted by the ginner to the appropriate county office at such times and covering such periods of time as the State PMA chairman determines are necessary to make the program effective.

(3) If cottonseed are sold to CCC, the ginner shall prepare and execute a Ginner's Voucher and Certificate (CCC Cottonseed Purchase Form 4) covering the cottonseed and deliver the form to the county office. Each Ginner's Voucher and Certificate submitted by a ginner to the county office shall be supported by weight certificates or warehouse receipts covering the cottonseed purchased which have been issued by a participating oil miller or an approved storage facility or a representative of the county committee at a designated concentration point, and, in the absence of warehouse receipts guaranteeing grade, by official chemical analyses certificates covering the cottonseed and identifying such cottonseed by lot numbers and/or receipt numbers and weights.

(Sec. 4, 62 Stat. 1070, as amended; 15 U. S. C. Sup. 714b. Interpret or apply sec. 5, 62 Stat. 1072, secs. 301, 401, 63 Stat. 1053, 1054; 15 U. S. C. Sup. 714c, 7 U. S. C. Sup. 1447, 1421)

Issued this 11th day of August 1953.

[SEAL] M. B. BRASWELL,
Acting Executive Vice President,
Commodity Credit Corporation.

Approved:

JOHN H. DAVIS,
President,
Commodity Credit Corporation.

[F. R. Doc. 53-7214; Filed, Aug. 14, 1953; 8:53 a. m.]

[1953 CCC Cottonseed Bulletin 3, Revision 1]

PART 643—OILSEEDS

SUBPART—1953 COTTONSEED PRODUCTS PURCHASE PROGRAM

The regulations of Commodity Credit Corporation with respect to the purchase of cottonseed products as a means of supporting the price of 1953-crop cottonseed (1953 CCC Cottonseed Bulletin 3, 18 F. R. 3908) are hereby revised in their entirety, so that the regulations read as follows:

Sec.
643.910 General statement.
643.911 Administration.
643.912 Availability.
643.913 Purchases of cottonseed by crusher.
643.914 Purchase of cottonseed products by CCC.
643.915 Linter purchases.
643.916 Crude cottonseed oil purchases.
643.917 Cottonseed cake or meal purchases.
643.918 Less than prime quality products.
643.919 Arbitration.
643.920 Storage.
643.921 Carrier and routing.
643.922 Bond.
643.923 Movement of products.
643.924 Books and records.
643.925 Termination.
643.926 Benefits and non-discrimination; contingent fees.
643.927 Assignment.
643.928 Provisional payments.

AUTHORITY: §§ 643.910 to 643.928 issued under sec. 4, 62 Stat. 1070, as amended; 15 U. S. C. Sup. 714b. Interpret or apply sec. 5, 62 Stat. 1072, secs. 301, 401, 63 Stat. 1053, 1054; 15 U. S. C. Sup. 714c, 7 U. S. C. Sup., 1447, 1421.

§ 643.910 *General statement.* As a part of the 1953 Cottonseed Price Support Program formulated by Commodity Credit Corporation (referred to in this subpart as CCC) and the Production and Marketing Administration (referred to in this subpart as PMA) CCC hereby offers to purchase certain cottonseed products from any crusher engaged in the crushing of cottonseed (referred to in this subpart as "crusher") on the terms and conditions stated in this subpart. The program will be carried out by PMA under the general supervision and direction of the Executive Vice President, CCC.

§ 643.911 *Administration.* Except as specifically provided otherwise, operations under this subpart will be administered by the New Orleans PMA Commodity Office located at Wirth Building, 120 Marais Street, New Orleans 16, Louisiana (hereinafter referred to as the PMA commodity office) CCC contracting officers in the PMA commodity office will execute contract documents on behalf of CCC. Officials of the PMA commodity office, PMA State Committees, and PMA county committees do not have authority to waive or modify any provisions of this subpart.

§ 643.912 *Availability*—(a) *Area.* This program will be available in all areas where cottonseed crushing mills are located.

(b) *Source.* (1) Purchase of cottonseed products, in accordance with the terms of this subpart, will be made by CCC from the crushers who notify the

PMA commodity office of acceptance of the offer contained in this subpart substantially in the following form:

The undersigned crusher hereby accepts CCC's offer to cottonseed crushers, 1953 CCC Cottonseed Bulletin 3, for the mills listed below. The crusher understands that by acceptance of this offer he becomes obligated to pay for all 1953 crop domestic cottonseed purchased not less than the applicable prices specified in, and/or determined in accordance with, the provisions of 1953 Cottonseed Bulletin 3. The following mills are covered by this acceptance: * * *

(2) If the crusher operates more than one cottonseed crushing mill, he may file one acceptance for those mills for which he desires to accept this offer and shall specify in the acceptance the names and locations of the mills covered by the acceptance; but each such mill shall be treated as a separate unit for the purpose of determining the rights and obligations of the crusher with respect to cottonseed purchased for processing at, and cottonseed products delivered from each such mill; except that, upon request by the crusher and approval by the PMA commodity office, where two or more mills covered by the one acceptance are under the same management and are located in such proximity that they have identical freight rates for the shipment of cottonseed products, irrespective of destination, they shall be considered collectively as a single unit with respect to the rights and obligations of the crusher for cottonseed purchased for processing at, and cottonseed products delivered from each such mill; further, upon request by the crusher and approval by the PMA commodity office, where a crusher delints cottonseed at one mill and transports the resulting meats to another mill under the same management for the processing of oil and cake or meal, CCC will accept delivery of the linters at the mill where the cottonseed is delinted and oil and cake or meal at the mill where the oil and cake or meal is produced. CCC will acknowledge in writing the receipt of each acceptance.

(3) The PMA commodity office may permit a crusher to tender and deliver refined cottonseed oil in lieu of crude cottonseed oil when the crusher operates a mill in which oil can be produced only in such form and the crusher, in accepting the offer contained in this subpart, adds to his acceptance notification the following:

The undersigned crusher produces only refined cottonseed oil at the following mills: ----------. In lieu of selling prime crude cottonseed oil to CCC in the applicable quantity indicated in § 643.914 (a) of 1953 CCC Cottonseed Bulletin 3, the crusher proposes to tender a quantity of bleachable prime summer yellow cottonseed oil equal to 91 percent of the applicable quantity of prime crude oil specified in such section if products are offered to CCC under the terms of the Bulletin.

(i) The price of such bleachable prime summer yellow cottonseed oil for each mill where tendered shall be the price at which the nearest refinery which has signed a refiner's contract with CCC under the 1953 cottonseed price support program is delivering oil to CCC at the time of the tender. If there is no such refinery within a reasonable distance of the crusher's mill, or if CCC is not receiving refined oil at such time, the price shall be a fair and equitable price, reflecting a normal differential over the base price for prime crude oil specified in Bulletin 3, as mutually agreed upon by the crusher and CCC. If, on the basis of sampling and chemical analysis of cottonseed purchased by the mill, in accordance with this subpart, it is shown, to the satisfaction of the PMA commodity office, that bleachable prime summer yellow cottonseed oil cannot be produced, the crusher may offer and CCC will accept, in accordance with the rules of the National Cottonseed Products Association, delivery of prime summer yellow cottonseed oil, which is the next lower grade of refined oil below bleachable prime summer yellow cottonseed oil.

(ii) A crusher whose mill is equipped to make one cut of linters, which is equal in quality to first cut linters, and hull fiber may be permitted by the PMA commodity office to deliver hull fiber on a cellulose basis in lieu of second cut linters in the quantity determined in accordance with § 643.914 (a)

(c) *Time.* The acceptance provided for in paragraph (b) of this section must be forwarded by telegram or registered mail to the Director of the PMA commodity office on or before September 15, 1953, or such later date as may be approved by such Director. The crusher shall notify CCC through the PMA commodity office not later than June 30, 1954, or such later date as may be approved by CCC of the quantity of cottonseed purchased hereunder and the respective quantities of products tendered to CCC, indicating delivery dates which shall be no later than September 15, 1954, or such later date as may be approved by the Executive Vice President, CCC: *Provided, however* That no products may be delivered from a mill later than one week from the date processing of 1953 crop cottonseed ceases at such mill unless otherwise approved by the PMA commodity office.

(d) *Eligible cottonseed products.* Cottonseed products eligible to support a tender by the crusher to CCC shall be the end products processed by the crusher from 1953-crop cottonseed produced in the United States and purchased by the crusher on or subsequent to the date of his acceptance of the offer contained in this revised subpart and through February 28, 1954, or such later date as may be approved by the Executive Vice President, CCC, at prices not less than the applicable prices specified in, or determined in accordance with, the provisions of this subpart: *Provided,* That if the acceptance of the offer is forwarded by telegram or registered mail to the PMA commodity office within 20 days of the date of issuance of this revised subpart, cottonseed purchased prior to acceptance may form the basis for such a tender if all other applicable provisions of this subpart have been complied with. Although each tender by the crusher must be supported by eligible cottonseed products, the cottonseed products actually delivered to CCC pursuant to such tender need not be so eligible but may be any cottonseed products otherwise acceptable under this subpart.

§ 643.913 *Purchases of cottonseed by crusher*—(a) *Price.* The crusher must pay for all 1953-crop cottonseed purchased from producers not less than the applicable gin price to producers determined in accordance with 1953 Cottonseed Bulletin 2, and for all 1953-crop cottonseed otherwise purchased not less than $54.50 per ton basis grade (100) f. o. b. gin, with premiums and discounts for other grades equal to the same percentage of such price as the percentage by which the grade of cottonseed purchased exceeds or is less than the basis grade (100) Cottonseed which is "below grade" or "off quality" as defined in the rules of the National Cottonseed Products Association may be purchased at a price mutually agreeable to the crusher and the seller of the cottonseed.

(b) *Purchases on official grades.* Unless otherwise approved by the Executive Vice President of CCC, all cottonseed which is purchased by the crusher under this subpart, other than from producers, shall be graded in accordance with the U. S. Official Standards for Grades of Cottonseed, except that the crusher shall be permitted to have composite samples drawn from not more than 100 tons of cottonseed in lieu of the 35 tons now prescribed. (All other provisions with respect to drawing samples remain unchanged.) Cost of sampling and chemical analysis of cottonseed shall be for the account of the crusher.

(c) *Weight.* Purchases of cottonseed under this subpart, other than from producers, shall be based upon weights at the crusher's mill after deduction of the weight of all foreign material in excess of 1 percent.

(d) *Receipts from gins owned by, or under same legal entity as the crusher* Where a crusher under this subpart and a ginner are a single legal entity or where the crusher owns a gin and is directly responsible for its management, cottonseed received by the crusher from such gin shall not have been purchased from producers at less than the applicable gin price to producers determined in accordance with 1953 Cottonseed Bulletin 2 and such cottonseed shall be graded by the crusher in accordance with paragraph (b) of this section.

§ 643.914 *Purchase of cottonseed products by CCC*—(a) *Option to tender products.* (1) The crusher shall have the option to sell and CCC shall purchase if tendered, for each ton of cottonseed purchased by the crusher under this subpart, the quantities of crude cottonseed oil, 41 percent protein sized cake or meal and linters specified below for the applicable area, except that, at the option of CCC, cottonseed slab cake, flakes or chips will be purchased in lieu of sized cake or meal in the specified quantities.

	Oil (pounds)	41 percent protein cake or meal (pounds)	Linters (pounds net weight)
Southeastern area	308	870	192
Valley area	324	865	179
Texas-Oklahoma area	313	948	176
Arizona-New Mexico area	336	873	182
California	339	922	202

(i) If a crusher elects to sell any products to CCC, the quantities of oil, cake or meal and linters shall be tendered in the proportions specified in this subparagraph for the area in which the mill is located except as provided in subdivision (ii) of this subparagraph.

(ii) Where the crusher's actual average outturn of linters per ton of cottonseed, as determined by the PMA commodity office, is substantially less (10 percent or more) than the quantity specified in the above table, the crusher may tender such actual average outturn without reducing the quantities of oil and cake or meal, which shall be as specified in the above table. Once a tender on the basis of the actual average outturn of linters is made and accepted by the PMA commodity office, all subsequent tenders shall be made on the basis of the actual average outturn, which shall be considered to be the outturn previously determined by the PMA commodity office unless the crusher requests a change and the PMA commodity office determines, upon the submission by the crusher of such supporting information as such office may require, that such change should be made. If a crusher tenders hull fiber as provided in § 643.912 (b) he shall be required to deliver to CCC the entire quantity of linters cut from the cottonseed covered by the tender, and the quantity of hull fiber to be accepted by CCC shall be the difference between the quantity of linters so produced and the quantity of linters required to be delivered for the area in which the crusher's mill is located as specified in the above table. CCC may reject LCL shipments except for a clean-up car on the last delivery of each product, on which the crusher protects the minimum freight rate. Upon prior approval from the PMA commodity office, shipments may be made by truck.

(2) Purchases of linters, oil and cake or meal shall be subject to the terms and conditions of this subpart and in accordance with applicable rules of the National Cottonseed Products Association in effect on the date of tender of such products except to the extent that such rules are inconsistent with this subpart and except as to periods specified in such rules for presentation of claims and the rules on arbitration.

Each tender shall indicate the quantity of cottonseed purchased, the quantities of products tendered to CCC and the delivery dates. CCC shall confirm in writing all tenders of products which comply with the provisions of this subpart. Each tender by the crusher and confirmation by CCC shall constitute separate contracts for the sale of the respective products covered by the tender in accordance with the applicable rules of the National Cottonseed Products Association and the terms of this subpart. CCC will not accept deliveries of products which bear brand names, it being understood, however, that crusher's identification on analysis tags or labels which are used in order to comply with State feed laws is not to be considered as a brand name and that such tags or labels shall be supplied on all deliveries to CCC.

(b) *Conditional tenders.* The crusher may condition any tender of cottonseed products under paragraph (a) of this section upon an immediate repurchase by the crusher from CCC of a specified quantity of cake or meal included in such tender, at the current market price of cake or meal as determined by the PMA commodity office. CCC reserves the right to reject any or all such conditional tenders and any acceptance by CCC shall be made within 24 hours after receipt of the tender in the PMA commodity office.

(c) *Brokerage.* The crusher may tender products to CCC through a broker if such tenders are confirmed in writing by the crusher, or if he furnishes CCC with a signed copy of his designation of such broker as his agent. Any brokerage fee shall be for the account of the crusher.

(d) *Areas.* The areas referred to in paragraph (a) of this section and in §§ 643.916 and 643.917 are delimited as follows:

(1) The Southeastern area shall consist of the States of Virginia, North Carolina, South Carolina, Georgia, Florida, and Alabama.

(2) The Valley area shall consist of the States of Arkansas, Illinois, Kentucky, Louisiana, Missouri, Mississippi, Tennessee, and Bowie County, Texas.

(3) The Texas-Oklahoma area shall consist of the States of Oklahoma and Texas excluding Bowie County and excluding District VI which comprises the Texas counties of El Paso, Hudspeth, Pecos, Reeves, Ward, Culberson, Ector, Presidio and Terrell.

(4) The Arizona-New Mexico area shall consist of the States of Arizona and New Mexico and the Texas counties of El Paso, Hudspeth, Pecos, Reeves, Ward, Culberson, Ector, Presidio, and Terrell.

(5) The State of California.

§ 643.915 *Linter purchases*—(a) *Prices f. o. b. carrier at shipping point.* (1) The price for second cut chemical linters, and mill run linters sold on a cellulose basis, shall be 3.50 cents per pound gross weight basis 73 percent cellulose yield. Premiums and discounts of 0.05 cent per pound shall be made for each variation of one percent, fractions in proportion.

(2) The price for first-cut and mill run linters sold on U. S. Grade basis shall be as follows:

	Grade	Cents per pound, gross weight
U. S. No. 1	High	13.25
	Middle	13.00
	Low	12.00
U. S. No. 2	High	12.15
	Middle	11.75
	Low	11.00
U. S. No. 3	High	10.25
	Middle	9.50
	Low	8.50
U. S. No. 4	High	7.50
	Middle	6.50
	Low	5.70
U. S. No. 5	High	4.80
	Middle	4.00
	Low	3.75
U. S. No. 6		3.60
U. S. No. 7		3.50

When first-cut and mill run linters are classed as one of sub-grades, the price for such sub-grades shall be determined by using the gross weight prices in the above table as follows: "Full" in any grade shall carry the price of the Middle in that grade. "Plus" in any grade shall carry the price of High in that grade. "Minus" in any grade shall carry the price of Low in that grade. "Broad" in any grade shall carry the price of Middle in that grade. "XY short compound" and "XY compound" shall carry the price of the High in the Low grade. "XY" represents any two adjacent grades, such as, grades 2 and 3.

(3) The crusher must elect on or before the date of his first tender of products as to whether he will deliver (i) mill run linters, or (ii) first and second cut linters. If he decides to deliver mill run linters, then he must indicate on or before the date of his first tender of products whether they will be delivered on the basis of cellulose content or U. S. Grade. All tenders of linters shall be submitted in accordance with the elections made by the crusher, unless otherwise approved by the PMA commodity office. Each tender of first and second cut linters shall consist of not more than 35 percent of first cut linters, or such larger percentage of first-cut linters which the crusher produces as determined by the PMA commodity office.

(4) A discount of $2.00 per bale shall be made by CCC for bales heavier than 675 pounds, gross weight.

(b) *Bagging.* (1) Bales shall be well covered with close woven bagging. Sisal or paper covering will not be acceptable. Bales shall be baled with new or once-used three-fourths pound linter or heavier covering: *Provided, however* That linter covering of less than three-fourths pound may, upon approval by the PMA commodity office, be used if such covering material is customarily used in trade practice.

(2) Bales shall be bound with a minimum of six new or reworked sound standard arrow type buckle and ties. Total tare shall not exceed 5 percent.

(3) High density bales of linters may be delivered only upon approval by the PMA commodity office. No premiums or other allowances will be made for the delivery of high density bales.

(c) *Quality.* (1) U. S. Grades or cellulose yield shall be determined on the basis of samples drawn by samplers

licensed by the U. S. Department of Agriculture or other samplers approved by CCC. All linters, except as provided for in § 643.918 shall be clean, undamaged, free of excessive hull pepper, shale, and trash and shall not contain motes, sweepings or any other foreign material and if purchased on a cellulose basis shall be suitable for chemical use as determined by CCC.

(2) Where the crusher indicates to the PMA commodity office that he is uncertain of the acceptability of linters upon arrival at first receiving warehouse in the United States, the PMA commodity office shall, at the expense of CCC, arrange to have a representative number of bales of such linters inspected by U. S. licensed cotton linters classifiers, or other persons approved by the PMA commodity office, prior to loading. This inspection shall be made for the purpose of determining generally the condition and acceptability of the linters. However, final acceptance of the linters by CCC shall be made only after arrival and inspection at first receiving warehouse and CCC shall have the right to reject in accordance with the rules of the National Cottonseed Products Association for failure of the linters to meet contract requirements.

(3) Notwithstanding any other provisions of this subpart, CCC will, upon written request from the crusher under this subparagraph, have linters examined prior to loading, at the convenience of CCC and at its expense, and, if determined to be deliverable under this subpart, will accept them prior to shipment by the crusher, under the following conditions:

(i) CCC will issue delivery instructions for immediate shipment within 20 days after the date of acceptance of the linters by CCC instead of within the time specified in paragraph (f) of this section.

(ii) The quality of any linters accepted by CCC under this subparagraph will, for the purpose of determining the price to be paid by CCC for such linters, be determined either prior to shipment or by inspection at the first receiving warehouse, at the option of CCC. If the determination of quality is not made until the linters reach the first receiving warehouse and it is determined at that point that the linters are less than prime quality linters which are not provided for in the price discount table in § 643.918, such linters will be purchased by CCC at a price determined by the PMA commodity office as representing the value of such linters in relation to the prices specified for the less than prime quality linters provided for in § 643.918.

(4) The linters, when loaded, shall be in good condition, dry and free from weather or other damage. Chemical linters shall be sampled and analyzed in accordance with the rules of the National Cottonseed Products Association in effect on the date of tender. The grade of linters sold on a U. S. Grade basis will be determined by a U. S. licensed cotton linters classifier or the Board of Cotton Linters Examiners of the U. S. Department of Agriculture. The cost of determining the cellulose analyses and the U. S. Grade shall be for the account of CCC.

(d) *Weight.* The official destination weight, or other weight acceptable to CCC, at first receiving warehouse in the United States shall govern. CCC shall notify the crusher by telegram if the destination weight is more than the one-half of one percent below the weight as billed by the crusher, and the crusher shall have the option, if he notifies CCC by telegram within 24 hours of the receipt of such notice, to have the shipment reweighed by an official weighmaster at the crusher's expense.

(e) *Loading.* All cars shall be loaded to protect minimum freight rate. All cars shall be carefully swept and cleaned before loading. All linters shall be in such condition that common carriers will accept them for transportation to destination without any charges or expense other than freight. Cars shall be furnished by crusher.

(f) *Delivery.* Within 20 days after the delivery date specified by the crusher in the notice of tender, CCC shall issue delivery instructions for immediate shipment. However, the shipping date covered in the delivery instructions may be extended upon the mutual consent of the crusher and the PMA commodity office.

(g) *Payment.* The crusher may present to CCC for provisional payment a sight draft drawn against CCC, with an invoice and approved shipping documents attached, for the value of the linters based on the origin weights and the base price in the case of linters sold on a cellulose basis or, in the case of linters sold on a U. S. Grade basis, the specific grade price if the linters were graded before shipment, or 8 cents per pound for first cut linters and 5 cents per pound for mill run linters if the linters were not graded before shipment. Final settlement for such linters will be made upon the basis of the U. S. Grade or cellulose yield analysis and the certified destination outturn weight of the linters.

§ 643.916 *Crude cottonseed oil purchases*—(a) *Base price.* The base price per pound of prime crude cottonseed oil basis f. o. b. buyer's tank cars at crusher's mill shall be the price specified below for the applicable area:

	Cents
Southeastern	12.875
Valley	12.75
Texas-Oklahoma	12.5
Arizona-New Mexico	12.5
California	12.5

(b) *Grade.* The grade shall be basis prime crude cottonseed oil as defined in the rules of the National Cottonseed Products Association, except as provided in § 643.918.

(c) *Quality settlement basis.* The base price shall be adjusted for variance in quality in accordance with the rules of the National Cottonseed Products Association.

(d) *Delivery.* Within 20 days after the delivery date specified by the crusher in the notice of tender, CCC shall issue delivery instructions for immediate shipment. However, the shipping date covered in the delivery instructions may be extended upon the mutual consent of the crusher and the PMA commodity office.

(e) *Payment.* The crusher may present to CCC for provisional payment, a sight draft drawn against CCC with an invoice and approved shipping documents attached for the value of the oil based on the origin weights and base price. Final settlement for such oil will be made upon the basis of the official analysis and the certified destination outturn weight of the oil.

§ 643.917 *Cottonseed cake or meal purchases*—(a) *Base price.* The purchase price per pound for 41 percent minimum protein content bulk meal or sized cake, f. o. b. seller's cars at crushing plant, shall be the price specified below for the applicable area:

	Cents
Southeastern	2.625
Valley	2.725
Texas-Oklahoma	2.725
Arizona-New Mexico	2.675
California	2.675

(1) Solvent extracted meal shall be discounted at $1.50 per ton from the base price. If the crusher repurchases the meal under conditional tender as provided in § 643.914 an amount equal to the discount applied by CCC to the particular meal shall be deducted from the market price determined by CCC.

(2) If the crusher, in accordance with local trade practice, as determined by the PMA commodity office, tenders on the basis of protein content of less than 41 percent, a deduction of $1.00 per ton per unit of protein below 41 percent will be made from the base price. The cake or meal of less than 41 percent protein content to be tendered shall be in the same quantity per ton of cottonseed crushed as is applicable to 41 percent protein content cake or meal specified in § 643.914. There shall be no premium for cake or meal in excess of 41 percent protein content.

(3) Notwithstanding any tender by the crusher of cottonseed cake or meal, and confirmation thereof by CCC, crushers having pelleting equipment shall, at the request of CCC, deliver pellets at a premium of $2.50 per ton over the applicable price for meal. Also CCC shall have the option of requiring the delivery of slab cake, or cottonseed flakes or chips, in lieu of sized cake or meal, and where required, such delivery shall be made at the base price. Slab cake shall also be delivered upon the request of the crusher and approval of the PMA commodity office and such delivery shall carry a discount of $2.00 per ton from the base price. Mills equipped to make only slab cake will not be required to deliver in any other form and mills which are not equipped to make slab cake will not be required to make such deliveries.

(4) Meal shall be delivered in bulk or in new or used bags in accordance with instructions from the PMA commodity office. The price to be paid the crusher for bags, if used, will be the current market price as agreed upon by the PMA commodity office and the crusher.

(b) *Quality.* The quality shall be prime, as defined in the rules of the

National Cottonseed Products Association, except as provided in § 643.918.

(c) *Delivery.* Within 20 days after the delivery date specified by the crusher in the notice of tender, CCC shall issue delivery instructions for immediate shipment. However, the shipping date covered in the delivery instructions may be extended upon the mutual consent of the crusher and the PMA commodity office.

(d) *Payment.* The crusher may present to CCC for provisional payment a sight draft drawn against CCC with an invoice and approved shipping documents attached for the value of the cake or meal upon the basis of origin weights and quality of the cake or meal certified by the crusher. The sight draft shall not include the value of bags except where agreement has been reached between the crusher and the PMA commodity office as to the value of the bags. Final settlement will be made upon the basis of destination weights and quality determined in accordance with the rules of the National Cottonseed Products Association and the price of any bags used determined in accordance with paragraph (a) (4) of this section.

§ 643.918 *Less than prime quality products*—(a) *Tenders.* (1) It shall be the responsibility of the crusher to notify CCC at the time of tender if he proposes to deliver less than prime quality products (specifying in the tender the quantity or proportion of the tender which is likely to comprise less than prime quality products) in any case where cottonseed purchased by the crusher under this subpart cannot be processed into prime quality products because of the physical condition and characteristics of the cottonseed at time of purchase or subsequent normal deterioration of such cottonseed between the time of purchase and processing, not resulting from any external causes after purchase by the crusher. The crusher may tender, in accordance with § 643.914 crude cottonseed oil of less than prime quality but not less than the quality indicated by available chemical analysis of such cottonseed; cake or meal of less than prime quality but not less than the quality indicated by such chemical analysis or such other evidence as may be required by CCC, or less than prime quality linters but not of a quality below the specified factors set out in the price discount table for less than prime quality linters in subparagraph (3) of this paragraph.

(2) The price of crude cottonseed oil and cake or meal of less than prime quality so tendered and delivered shall be computed by applying discounts determined in accordance with the rules of the National Cottonseed Products Association to the base prices specified in §§ 643.916 and 643.917 respectively.

(3) The price of any linters of less than prime quality so tendered and delivered (except as provided in § 643.915 (c)) shall be computed by applying the discounts contained in the following table to the base price specified in § 643.915.

DISCOUNTS FOR SPECIFIED LESS THAN PRIME QUALITY FACTORS

	Discount (cents per pound)		
	First-cut linters	Mill-run linters (grade basis)	Mill-run and second-cut linters (cellulose basis)
1. Excess pepper	0.70	0.50	0.00
2. Excess trash:			
(a) Regular	.70	.50	.00
(b) Regular	1.55	1.10	.35
3. Bellies	3.00	2.10	.00
4. Hot seed-odor and color slight	3.49	2.49	1.10
5. Sour and musty odor slight	.85	.60	.35

The crusher shall submit with each tender of less than prime quality products under this section certificates of chemical analyses of the cottonseed purchased under this subpart and such other information as CCC may require. Notwithstanding any other provisions of this subpart, the quantity of less than prime quality linters to be accepted by CCC under this section shall not exceed a reasonable proportion, as determined by the PMA commodity office, of the total production of less than prime quality linters from all cottonseed purchased under this subpart to date of delivery for such linters. When a tender of less than prime quality products is rejected or is not accepted by CCC because the tender is not fully supported by certificates of chemical analysis or such other information as CCC may require, the crusher, upon approval and within a period prescribed by the PMA commodity office, may resubmit the tender with the supporting information required by CCC again offering the less than prime quality products in quantities not in excess of the original tender. ("Less than prime quality linters" as used herein refers to linters which, if classed against the official U. S. Standards, would be classed as "off grade" linters, except that, with reference to linters sold on a cellulose basis whose price is subject to zero discounts in the foregoing table of discounts, the provisions of this section requiring a crusher to notify CCC, at the time of tender, of the quantity or proportion of less than prime quality linters which he proposes to deliver, shall not apply.)

(b) *Payment.* No provisional payment shall be made for less than prime quality products tendered and delivered. Payment for less than prime quality products accepted by CCC shall be made by draft drawn on CCC by the crusher after the destination weight and quality and the applicable price have been determined.

§ 643.919 *Arbitration.* In the event of any dispute between the crusher and the PMA commodity office with respect to a determination of fact by such office in connection with a tender of less than prime quality products as provided in § 643.918 or the proper discounts to be applied against the less than prime quality products included in the tender (other than those discounts covered in the rules of the National Cottonseed Products Association or specified in this subpart) the crusher may, within 30 days after notification of such determination by the PMA commodity office, request an arbitration committee to be established to resolve the dispute. Each committee established will consist of a representative of the crusher, a representative of the PMA commodity office, and a disinterested third party agreeable to both the crusher and the PMA commodity office. The determinations of fact by the arbitration committee shall be final, except that the arbitration committee shall have no authority to waive or modify any right or obligation of CCC or the crusher under this subpart. CCC and the crusher shall bear the costs of arbitration incurred by each of their respective representatives and shall share equally the expenses incurred by the third member of the committee.

§ 643.920 *Storage.* Storage of tendered products by the crusher for the account of CCC shall be covered under separate contracts entered into on behalf of CCC by the PMA commodity office.

§ 643.921 *Carrier and routing.* The crusher may select the originating carrier on shipments of cottonseed products but any charges in excess of the lowest available transportation rate between the point of shipment and the point of destination named in CCC's instructions shall be paid by the crusher. The routing and loading shall be in compliance with applicable carrier and governmental regulations.

§ 643.922 *Bond.* Upon CCC's request, the crusher shall furnish to CCC a bond conditioned upon the faithful performance by the crusher of his obligations under this subpart. Such bond shall be in such form, and in such amount, and with such sureties, as CCC may approve.

§ 643.923 *Movement of products.* CCC shall not be responsible for any loss or injury caused the crusher by failure of CCC to move cottonseed products due to acts of God or the public enemy, storms, floods, conflagrations, strikes, blockades, riots, embargoes, or priority, allocation, service, or other orders or directives issued by the Government or any other cause beyond the control of CCC. Notwithstanding the foregoing provision, if CCC fails for any reason to issue shipping instructions within the period prescribed in this subpart, the crusher may have an official analysis or quality determination made, and shall not be responsible for any subsequent loss or deterioration in quality except for any loss, deterioration or damage due to the fault or negligence of the crusher.

§ 643.924 *Books and records.* The crusher shall keep accurate books, records, and accounts with respect to all purchases of cottonseed (including the name of seller, date of receipt, weight, and grade of each lot of cottonseed purchased) and all other transactions under this subpart for a period of at least two years from the last date any of the products tendered by the crusher under this subpart have been delivered, and shall furnish CCC such information and reports relating thereto as CCC may

from time to time request. CCC may at any time examine and audit the books, records, and accounts of the crusher to the extent necessary to assure compliance with the provisions of this subpart.

§ 643.925 *Termination.* The crusher's rights and obligations under an acceptance of the offer contained in this subpart may be terminated at any time by CCC or the crusher, upon written notice to the other party as to cottonseed purchased by the crusher after the date of such termination and cottonseed products otherwise eligible to be tendered and delivered therefrom. Notwithstanding such termination, the provisions of this subpart shall continue in full force and effect with respect to cottonseed products derived from cottonseed purchased by the crusher prior to the date of such termination. Nothing contained in this section shall be construed to prevent the termination by CCC of the crusher's rights under this subpart at any time for breach of any provision of this subpart. Once the termination of a crusher's rights and obligations have been effected as provided in this section, the crusher shall not have the right to reaccept the terms and conditions of this subpart.

§ 643.926 *Benefits and non-discrimination, contingent fees.* No Member of or Delegate to the Congress of the United States or Resident Commissioner shall share in any benefit to arise from any contract made under this subpart, but this provision shall not be construed to extend to benefits accruing to a corporation, nor to prohibit the purchase of cottonseed from such a person in his capacity as a producer. The crusher must not employ or have employed any person to solicit or secure any contract under this subpart upon any agreement for a commission, percentage, brokerage or contingent fee. If any such consideration or payment has been or will be made, CCC may annul the contract or, in its discretion, deduct from amounts due the crusher the amount of such commission, percentage, brokerage or contingent fees. This provision shall not apply to contracts secured or made through bona fide established commercial agencies maintained or customarily utilized by the crusher for the purpose of securing business. In the performance of any contract under this subpart, the crusher shall not discriminate against any employee or applicant for employment because of race, creed, color or national origin and shall include a like provision in any subcontract entered into in connection with the performance of any contract under this subpart.

§ 643.927 *Assignment.* Any contracts resulting from a tender of products by the crusher and acceptance or confirmation by CCC may be assigned or transferred by CCC at any time, in whole or in part. The crusher shall not assign or transfer any rights or claims arising under this subpart and shall not subcontract for any processing under this subpart without prior written approval by the PMA commodity office.

§ 643.928 *Provisional payments.* Where the quality of any products delivered by the crusher under §§ 643.914 to 643.917 results, as determined by the PMA commodity office, in significant discounts upon final settlement, such office may require that any subsequent sight drafts drawn in accordance with such sections shall be drawn for 95 percent of the value of such products.

Issued this 11th day of August 1953.

[SEAL] M. B. BRASWELL,
Acting Executive Vice President,
Commodity Credit Corporation.

Approved:

JOHN H. DAVIS,
President,
Commodity Credit Corporation.

[F. R. Doc. 53-7212; Filed, Aug. 14, 1953; 8:52 a. m.]

TITLE 7—AGRICULTURE

Chapter I—Production and Marketing Administration (Standards, Inspections, Marketing Practices), Department of Agriculture

PART 51—FRESH FRUITS, VEGETABLES AND OTHER PRODUCTS (INSPECTION, CERTIFICATION, AND STANDARDS)

SUBPART B—STANDARDS

U. S. STANDARDS FOR FRESH TOMATOES

On July 4, 1953, a notice of proposed rule making was published in the FEDERAL REGISTER (F. R. Doc. 53-5930, 18 F R. 3910) regarding proposed United States Standards for Fresh Tomatoes.

A period of thirty days was allowed for submitting written data, views and arguments for consideration in connection with the proposed standards. After consideration of all relevant matters presented, including the proposals set forth in the aforesaid notice of rule making, the following United States Standards for Fresh Tomatoes are hereby promulgated under the authority contained in the Agricultural Marketing Act of 1946 (60 Stat. 1087; 7 U. S. C. 1621 et seq.) and the Department of Agriculture Appropriation Act, 1954 (Pub. Law 156, 83d Cong., approved July 28, 1953)

§ 51.419 *Standards for fresh tomatoes*—(a) *Grades*—(1) *U. S. No. 1.* U. S. No. 1 consists of tomatoes of similar varietal characteristics which are mature, but not overripe or soft, which are well developed, fairly well formed, fairly smooth, and which are free from decay and freezing injury and free from damage caused by dirt, bruises, cuts, sunscald, sunburn, puffiness, catfaces, growth cracks, scars, disease, insects, hail or mechanical or other means.

(i) *Tolerances.* In order to allow for variations incident to proper grading and handling the following tolerances shall be permitted:

(*a*) At shipping point (or in shipments from Mexico when inspected at points of entry into the United States) not more than a total of 10 percent, by count; for tomatoes in any lot, which fail to meet the requirements of this grade: *Provided,* That not more than one-half of this amount, or 5 percent, shall be allowed for defects causing serious damage, and including in this latter amount not more than 1 percent for tomatoes which are soft or affected by decay; and,

(*b*) En route or at destination, not more than a total of 15 percent, by count, for tomatoes in any lot which fail to meet the requirements of this grade: *Provided,* That included in this amount not more than the following percentages shall be allowed for the defects listed:

5 percent for tomatoes which are soft or affected by decay;

10 percent for tomatoes which are damaged by shoulder bruises or by discolored or sunken scars on any parts of the tomatoes; and,

10 percent for tomatoes otherwise defective, except that not more than one-half of this amount, or 5 percent, shall be allowed for defects causing serious damage.

(2) *U. S. Combination.* U. S. Combination consists of a combination of U. S. No. 1 and U. S. No. 2 tomatoes: *Provided,* That at least 60 percent, by count, meet the requirements of U. S. No. 1 grade.

(i) Tolerances: In order to allow for variations incident to proper grading and handling the following tolerances shall be permitted:

(*a*) At shipping point (or in shipments from Mexico when inspected at points of entry into the United States) not more than a total of 10 percent, by count, for tomatoes in any lot, which fail to meet the requirements of the U. S. No. 2 grade: *Provided,* That not more than one-tenth of this amount, or 1 percent, shall be allowed for tomatoes which are soft or affected by decay; and,

(*b*) En route or at destination, not more than a total of 15 percent, by count, for tomatoes in any lot, which fail to meet the requirements of the U. S. No. 2 grade: *Provided,* That included in this amount not more than the following percentages shall be allowed for the defects listed:

5 percent for tomatoes which are soft or affected by decay;

10 percent for tomatoes which are seriously damaged by shoulder bruises or by discolored or sunken scars on any parts of the tomatoes; and,

10 percent for tomatoes otherwise defective.

(ii) No part of any tolerance shall be allowed to reduce for the lot as a whole the percentage of U. S. No. 1 tomatoes required in the combination but individual containers shall have not less than 50 percent which meet the requirements of U. S. No. 1 grade: *Provided,* That the entire lot contains not less than 60 percent U. S. No. 1 grade.

(3) *U S. No. 2.* U. S. No. 2 consists of tomatoes of similar varietal characteristics which are mature, but not overripe or soft, which are not badly misshapen, and which are free from decay, unhealed cuts, freezing injury, and free from serious damage caused by dirt, bruises, sunscald, sunburn, puffiness, catfaces, growth cracks, scars, disease, insects, hail or mechanical or other means.

(i) *Tolerances.* In order to allow for variations incident to proper grading

and handling the following tolerances shall be permitted:

(a) At shipping point (or in shipments from Mexico when inspected at points of entry into the United States) not more than a total of 10 percent, by count, for tomatoes in any lot, which fail to meet the requirements of this grade: *Provided,* That not more than one-tenth of this amount, or 1 percent, shall be allowed for tomatoes which are soft or affected by decay; and,

(b) En route or at destination, not more than a total of 15 percent, by count, for tomatoes in any lot, which fail to meet the requirements of this grade: *Provided,* That included in this amount not more than the following percentages shall be allowed for the defects listed:

5 percent for tomatoes which are soft or affected by decay;

10 percent for tomatoes which are seriously damaged by shoulder bruises or by discolored or sunken scars on any parts of the tomatoes; and,

10 percent for tomatoes otherwise defective.

(b) *Unclassified.* Unclassified consists of tomatoes which have not been classified in accordance with any of the foregoing grades. The term "unclassified" is not a grade within the meaning of these standards but is provided as a designation to show that no grade has been applied to the lot.

(c) *Size requirements.* (1) Tomatoes when packed in Los Angeles lugs, or when packed in other types of containers and the size is specified according to the size arrangements customarily used in Los Angeles lugs, shall be within the ranges of diameters specified below, except when designated as "Irregular Sizing"

Los Angeles lug size requirements [1]	Minimum diameter	Maximum diameter
	Inches	*Inches*
4 x 4	3 5/16	3 15/16
4 x 5	3	3 9/16
5 x 5	2 15/16	3 5/16
5 x 6	2 11/16	3 1/16
6 x 6	2 8/16	2 15/16
6 x 7	2 5/16	2 9/16
7 x 7	2	2 5/16
7 x 8	1 15/16	2 5/16

[1] Size arrangements not listed in the above table but which meet the diameter requirements for one of the above Los Angeles lug size arrangements may be certified as meeting Los Angeles lug size requirements for the specified size: *Provided,* That there shall not be a variation of more than 2 tomatoes in a layer between the two size arrangements, except that a variation of not more than 4 tomatoes in a layer shall be permitted in sizes smaller than 6 x 7. For example, a 4–4 x 6 offset pack has 24 tomatoes per layer and should be sized in accordance with the diameter requirements for 5 x 5 which has 25 tomatoes per layer. A 4–5 x 9 diagonal pack has 40 or 41 tomatoes per layer and should be sized in accordance with the requirements for 6 x 7 which has 42 tomatoes per layer.

(2) In determining compliance with the above size arrangements the measurement for minimum diameter shall be the largest diameter of the tomato measured at right angles to a line from the stem end to the blossom end. The measurement for maximum diameter shall be the smallest dimension of the tomato determined by passing the tomato through a round opening in any position.

(3) In lieu of specifying size according to the Los Angeles lug size arrangements, the size of tomatoes in any type container may be specified in terms of minimum diameter or in terms of minimum and maximum diameters expressed in whole inches, or whole inches and not less than sixteenth inch fractions thereof, in accordance with the facts, without reference to Los Angeles lug size arrangements. Such minimum diameter, or minimum and maximum diameters, shall be the largest diameter of the tomato measured at right angles to a line from the stem end to the blossom end.

(4) In order to allow for variations incident to proper sizing, not more than a total of 10 percent, by count, of the tomatoes in any lot may be smaller than the specified minimum diameter, or larger than the specified maximum diameter.

(d) *Application of tolerances.* (1) The contents of individual containers in the lot, based on sample inspection, are subject to the following limitations: *Provided,* That the averages for the entire lot are within the tolerances specified:

(i) When a tolerance is 10 percent or more, individual containers in any lot shall have not more than one and one-half times the tolerance specified, except that at least one defective and one off-size specimen may be permitted in any container; and,

(ii) When a tolerance is less than 10 percent, individual containers in any lot shall have not more than double the tolerance specified, except that at least one defective and one off-size specimen may be permitted in any container.

(e) *U. S. Standard Packs.* (1) "U. S. Standard Packs" apply only to tomatoes packed in Los Angeles lugs and shall be designated according to the arrangement in the top layer of the lug, as 5 x 5, 5 x 6, etc., in accordance with the facts. The tomatoes in all layers shall have a uniform type of arrangement, for example, square, offset or diagonal except as provided in the description of U. S. Straight Pack. The tomatoes shall be fairly tightly packed and, unless otherwise specified, the net weight of the tomatoes in the lug shall be not less than 30 pounds. The following terms shall be used to describe U. S. Standard Packs in lugs:

(i) *"U. S. Straight Pack"* When specified as "U. S. Straight Pack" the tomatoes shall meet the size requirements for the Los Angeles lug size specified, and all layers in any lug shall have the same number of tomatoes: *Provided,* That when an offset or a diagonal arrangement of tomatoes is used, a variation of not more than one tomato shall be permitted in different layers. For example, in a 5 x 5 pack the tomatoes in each layer shall be packed 5 rows wide with 5 tomatoes in each row. In a 4–5 x 9 diagonal pack the tomatoes shall be packed alternately 4 and 5 to the row the short way of the lug with 9 such rows in the layer and with either 40 or 41 tomatoes in each layer. When designated as "U. S. Straight Square-Offset Pack" or "U. S. Straight Square-Diagonal Pack" the top layer shall be packed with a square arrangement and all lower layers with either an offset or a diagonal arrangement and there may be a variation of not more than one tomato between the top layer and any of the lower layers. Not more than one tomato shall be placed in a wrapper;

(ii) *"U. S. Extra Row Pack"* When specified as "U. S. Extra Row Pack" the tomatoes shall meet the size requirements for the Los Angeles lug size specified, and the lower layers shall not contain more than one additional row one way of the lug. For example, in a 5 x 5 pack, the tomatoes in the lower layers may be packed 5 x 6 but not 6 x 6 or 5 x 7. Not more than one tomato shall be placed in a wrapper;

(iii) *"U. S. Bridge Pack"* When specified as "U. S. Bridge Pack" the tomatoes shall meet the size requirements for the Los Angeles lug size specified, and a part of one additional layer of tomatoes shall be packed in the lug and the remaining tomatoes in the lower layers shall not contain more than one additional row one way of the lug than is contained in the top layer. Not more than one tomato shall be placed in a wrapper;

(iv) *"U. S. Double Wrap Pack"* When specified as "U. S. Double Wrap Pack" the tomatoes shall meet the size requirements for the Los Angeles lug size specified, and the tomatoes in the top layer shall be packed with not more than one tomato in a wrapper and the lower layer or layers shall be packed with not more than two tomatoes in a wrapper; and,

(v) *"U. S. Double Wrap Bridge Pack"* When specified as "U. S. Double Wrap Bridge Pack" the tomatoes shall meet the size requirements for the Los Angeles lug size specified, and the tomatoes in the top layer shall be packed with not more than one tomato in a wrapper and the lower layer or layers shall be packed with not more than two tomatoes in a wrapper: *Provided,* That part of one additional layer which may have either one or two tomatoes in a wrapper shall be packed in the lug.

(2) In order to allow for variations incident to proper packing, not more than 10 percent, by count, of the containers in any lot may not meet the requirements for Standard Pack: *Provided,* That when there are two or more size arrangements in any lot, not more than 20 percent of the lugs in any one size arrangement may not meet the requirements for Standard Pack: *Provided further* That the average for the lot does not exceed 10 percent.

(3) "Irregular Pack". Lugs of tomatoes which are not packed in accordance with any of the foregoing methods of packing may be designated as "Irregular Pack."

(f) *Definitions.* (1) "Similar varietal characteristics" means that the tomatoes are alike as to firmness of flesh and shade of color (for example, soft fleshed early maturing varieties are not mixed with firm fleshed midseason or late varieties, or bright red varieties mixed with varieties having a purplish tinge)

(2) "Mature" means that in two or more seed cavities the contents have developed a jelly-like consistency and the seeds are well developed.

(3) "Well developed" means that the tomato shows normal growth. Tomatoes which are ridged and peaked at the stem end, contain dry tissue, and usually

open spaces, are not considered well developed.

(4) "Fairly well formed" means that the tomato is not decidedly kidney-shaped, lopsided, elongated, angular or otherwise deformed.

(5) "Fairly smooth" means that the tomato is not conspicuously ridged or rough.

(6) "Damage" means any defect which materially affects the appearance, or the edible or shipping quality of the fruit. Any one of the following defects, or any combination of defects, the seriousness of which exceeds the maximum allowed for any one defect, shall be considered as damage:

(i) Cuts which are not shallow, not well healed or more than ½ inch in length;

(ii) Puffy tomatoes. These tomatoes are usually angular and flat sided. They are damaged if the open space in one or more locules materially affects the appearance when the tomato is cut through the center at right angles to a line running from the stem to the blossom end;

(iii) Catfaces. These are irregular, dark, leathery scars at the blossom end of the fruit. Such scars damage the tomato when they are rough or deep, or when channels extend into the locule, or when they are fairly smooth and the area exceeds that of a circle ½ inch in diameter on a 2½ inch tomato. Smaller tomatoes shall have lesser areas of fairly smooth catfaces and larger tomatoes may have greater areas: *Provided,* That such catfaces do not affect the appearance of the tomatoes to a greater extent than that caused by fairly smooth catfaces which are permitted on a 2½ inch tomato;

(iv) Growth cracks (ruptures or cracks radiating from or concentric to the stem scar) when not well healed, when materially affecting the appearance of the fruit or when any one radiating crack extends more than ½ inch beyond the stem scar; and

(v) Scars (except catfaces) when the aggregate area exceeds that of a circle ⅜ inch in diameter on a tomato 2½ inches in diameter. Smaller tomatoes shall have lesser areas of scars and larger tomatoes may have greater areas: *Provided,* That such scars do not affect the appearance of the tomatoes to a greater extent than that caused by scars which are permitted on a 2½-inch tomato.

(7) "Serious damage" means any defect which seriously affects the appearance, or the edible or shipping quality of the fruit. Any one of the following defects, or any combination of defects, the seriousness of which exceeds the maximum allowed for any one defect, shall be considered as serious damage:

(i) Tomatoes which are soft or affected by decay;

(ii) Fresh holes or cuts, or any holes or cuts through the tomato wall;

(iii) Tomatoes showing any effects of freezing;

(iv) Puffiness if open space in two or more locules seriously affects the appearance when the tomato is cut through the center at right angles to a line running from stem to the blossom end; and,

(v) Fruit actually infested with worms.

(8) "Badly misshapen" means that the tomato is decidedly kidney-shaped, lopsided, elongated, angular or otherwise badly deformed.

(g) *Effective time.* The United States Standards for Fresh Tomatoes contained in this section and which supersede the United States Standards for Fresh Tomatoes (14 F. R. 6711) effective December 5, 1949, shall become effective thirty (30) days after the date of publication in the FEDERAL REGISTER.

(Sec. 205, 60 Stat. 1090, Pub. Law 156, 83d Cong., 7 U. S. C. 1624)

Done at Washington, D. C., this 12th day of August 1953.

[SEAL] GEORGE A. DICE,
Deputy Assistant Administrator Production and Marketing Administration.

[F. R. Doc. 53-7211; Filed, Aug. 14, 1953; 8:52 a. m.]

Chapter VIII—Production and Marketing Administration (Sugar Branch), Department of Agriculture

Subchapter G—Determination of Proportionate Shares

[Sugar Determination 855.1]

PART 855—MAINLAND CANE SUGAR AREA

1954 CROP

Pursuant to the provisions of section 302 of the Sugar Act of 1948, as amended (herein referred to as "act") the following determination is hereby issued:

§ 855.1 *Proportionate shares for sugarcane farms in the Mainland Cane Sugar Area for the 1954 crop*—(a) *Farm proportionate share.* A 1954-crop proportionate share for each sugarcane farm in the Mainland Cane Sugar Area shall be established in terms of acres (acreage or acres as used in this section means the area of sugarcane grown for the production of sugar or liquid sugar and for seed, and the area of sugarcane abandoned and classified as bona fide abandonment under procedure issued by the Production and Marketing Administration) as follows:

(1) *Old farms*—(i) *Farms with bases in excess of 27.8 acres.* The proportionate share for any farm for which the farm base, as established under subparagraph (3) of this paragraph, is in excess of 27.8 acres shall be 90 percent of such base or 80 percent of the 1953 acreage on the farm, whichever is larger.

(ii) *Farms with bases of 27.8 acres or less.* The proportionate share for any farm for which the farm base, as established under subparagraph (3) of this paragraph, is not in excess of 27.8 acres shall be the largest of 10.0 acres; the base, but not in excess of 25.0 acres; the 1953 acreage, but not in excess of 25.0 acres; and 80 percent of the 1953 acreage.

(2) *New farms.* The proportionate share for any farm without a farm base shall be 10.0 acres.

(3) *Farm bases.* A base shall be established for each farm on which there was acreage in any of the crop years 1949 through 1953 (referred to in this section as "base period") by adding (i) 50 percent of the largest acreage on the farm in any one of the crop years within the base period, and (ii) 12.5 percent of the total acreage on the farm for the other four years within the base period.

(4) *Delegation.* Farm bases and farm proportionate shares shall be established by the county PMA Committee, in accordance with this section and instructions issued by the Assistant Administrator for Production, Production and Marketing Administration.

(5) *Appeals.* A producer of sugarcane who believes that the proportionate share established for his farm pursuant to this section is inequitable may file an appeal in writing at the local county office not later than July 1, 1954. The county committee shall make such adjustments as are necessary due to the use of any incorrect data in determining the proportionate share. In other cases, the county committee shall, after review of all of the facts, forward the case, together with its recommendation to the State PMA Committee. The State Committee shall consider the appeal and the county committee's recommendation in light of the interest of the appellant as related to the interest of all other producers of sugarcane in the State and shall return the case to the county committee, indicating the appropriate disposition. Upon receipt thereof, the county committee shall notify the producer in writing as soon as possible regarding the decision on his appeal. If the producer is dissatisfied with the decision, he may appeal in writing before September 1, 1954, to the Director of the Sugar Branch, Production and Marketing Administration, U. S. Department of Agriculture, Washington 25, D. C., whose decision shall be final.

(b) *Share tenant and share cropper protection.* In addition to compliance with the proportionate share for the farm in accordance with this section, eligibility for payment of any producer of sugarcane shall be subject to the following conditions:

(1) That the number of share tenants or share croppers engaged in the production of sugarcane of the 1954 crop on the farm shall not be reduced below the number so engaged with respect to the previous crop, unless such reduction is approved by the State Committee of the Production and Marketing Administration; and

(2) That such producer shall not have entered into any leasing or cropping agreement for the purpose of diverting to himself or any other producer any payments to which share tenants or share croppers would be entitled if their leasing or cropping agreements for the previous crop were in effect.

(Sec. 403, 61 Stat. 932; 7 U. S. C. Sup., 1153. Interprets or applies sec. 302, 61 Stat. 930; 7 U. S. C. Sup., 1132)

STATEMENT OF CASES AND CONSIDERATIONS

Sugar Act requirements. Section 301 (b) of the act provides as a condition for payment to producers that there shall

not have been marketed (or processed) an amount (in terms of planted acreage, weight or recoverable sugar content) of sugarcane grown on the farm and used for the production of sugar or liquid sugar in excess of the proportionate share for the farm as determined by the Secretary pursuant to section 302 of the act. For the mainland cane sugar area, the term "proportionate share" means the individual farm's share of the total acreage of sugarcane required to enable the area to meet the quota and provide a normal carryover inventory, as estimated by the Secretary, for the calendar year during which the larger part of the sugar from such crop normally would be marketed.

Section 302 (a) of the act provides that the amount of sugar with respect to which payment may be made shall be the amount of sugar commercially recoverable from the sugarcane grown on the farm and marketed (or processed by the producer) not in excess of the proportionate share for the farm.

Section 302 (b) provides that in determining the proportionate share for a farm, the Secretary may take into consideration the past production on the farm of sugarcane marketed (or processed) for the extraction of sugar or liquid sugar and the ability to produce such sugarcane, and that the Secretary shall, insofar as practicable, protect the interests of new producers and small producers, and the interests of producers who are cash tenants, share tenants, or share croppers.

General. Pursuant to the foregoing provisions of the act, proportionate shares for sugarcane farms must be established for each crop since the marketing of sugarcane within such shares by producers constitutes one of the conditions for payment. Restrictive proportionate shares are required in any area when the indicated production will be greater than the quantities needed to fill the quota and provide a normal carryover inventory for such area.

The production of sugarcane in the mainland cane sugar area for the crop years 1948 through 1952 ranged from a low of 417,000 tons in 1951 to a high of 607,000 tons in 1952, and averaged about 515,000 tons annually. During this period, the acreage in the mainland cane area has remained relatively stable although the average yield of raw sugar per acre in 1952 was almost 1.8 tons as compared with 1.4 tons in 1948. The effective inventory on January 1, 1953 (i. e., sugar on hand January 1, 1953, plus sugar made from the 1952 crop after January 1, 1953) was about 198,000 tons, or 33,000 tons above the average for the five years 1948 through 1952.

On March 25, 1953, when it was announced that no restrictions would be applied to the 1953 crop in the mainland cane area, it was estimated that the 1952 crop would approximate 575,000 tons and that the effective inventory on January 1, 1953, would be 167,000 tons. Because of the unusually high yield of sugar per acre, the 1952 crop totaled 607,000 tons or 32,000 tons in excess of the estimate. The effective inventory was increased correspondingly. With this substantial carryover and a normal acreage of cane under cultivation for 1953, the Department has taken steps to allot the 1953 quota to provide each processor of mainland sugarcane an equitable opportunity to market sugar within the 1953 quota.

Situation indicated for 1954. On July 10, 1953, the Bureau of Agricultural Economics, U. S. Department of Agriculture, estimated that the 1953-crop production for the mainland cane area would be 542,000 tons. Such a crop, together with the effective inventory on January 1, 1953, of 198,000 tons, would result in a supply of sugar of 740,000 tons, the major part of which will be marketed against the 1953 mainland quota of 500,000 tons and the remainder against the 1954 quota. An effective inventory of 240,000 tons on January 1, 1954, would exceed the average of the five-year period, 1948 through 1952, by 75,000 tons. Such an effective inventory would be changed by any increase or decrease in the crop above or below the estimate of 542,000 tons and would be decreased by any prorations of deficits in quotas of other areas. Although the exact amounts of production and deficit prorations will not be known for some time, the amounts now anticipated appear to furnish a reasonable guide. Accordingly, unrestricted production in 1954 would likely result in a quantity of sugar greater than that needed to fill the quota and provide for a normal carryover inventory. Under these conditions, restrictions are required under the Sugar Act to prevent the accumulation of excessive stocks.

1954 crop production. In determining the level of 1954 sugarcane acreage, the basic problem is to arrive at a quantity which will meet the requirements of the act and at the same time prevent the accumulation of excessive stocks which ultimately could affect rather drastically future crops. Consideration must be given to the factors which might affect production and the quantities which may be marketed against the mainland quota. Among those factors are the quantities of sugarcane ground during the crop year before and after the end of the calendar year, possibilities of damage from freeze and other causes, variations in yields of sugar per acre, the proration of deficits in quotas of other areas, and the quantity of sugar normally carried over to meet requirements in the next marketing year.

Considering the foregoing factors, this determination is designed to result in a 1954 crop of approximately 545,000 tons of sugar. It is estimated that 320,000 acres will produce this quantity of sugar. This production will enable the area to meet its quota and provide a normal carryover inventory.

Public hearing. In view of the vital importance to the industry of any restrictive program, an informal hearing was held in New Orleans on June 24, 1953, for the purpose of obtaining the views of interested persons with respect to 1954 farm proportionate shares. The Department announced on June 8, 1953, a suggested method for establishing individual proportionate shares and also presented the plan at the hearing. The hearing was attended by approximately 200 persons from Louisiana and Florida, from whom much helpful information was obtained. In addition, several briefs have been filed. While there was general concurrence with the basic plan outlined by the Department, many recommendations to vary the proposed formula were received. Such recommendations included (a) the inclusion of acreage for the five crop years 1949 through 1953 in the base period, rather than the three crop years 1950 through 1952, (b) the selection of the three highest years in this base period, using the highest of these to measure "ability to produce" and the other two to measure "past production," instead of using the years 1950 through 1952 as proposed by the Department, (c) an increase from 70 percent to 80 percent of the 1953 acreage as the minimum 1954 proportionate share for any farm, and (d) variations from the Department proposal relating to small farms.

Considerable testimony related to the possibilities of damage to sugarcane crops by drought, flood and cane borers. The production of a crop in excess of the basic quota was advocated as an offset against possible serious damage to one or both of the 1953 and 1954 crops by freeze or other cause, which might otherwise prevent the area from filling its quotas. The testimony indicated that a mild curtailment in acreage for 1954 should be made, even if good yields for one or both of the 1953 and 1954 crops would create above-average crop carryovers and require more severe acreage adjustments in subsequent years.

Determination. In developing this determination, consideration has been given to the testimony presented at the hearing and to briefs filed since the hearing. The method adopted is similar to the one presented at the hearing except for modifications with respect to the base period, shares for small farms and minimum shares. The method provides for the use of a five-year base period comprising the crops of 1949 through 1953. The farm base will be established by adding (a) 50 percent of the largest sugarcane acreage on the farm (including acreage for seed and bona fide abandonment) in any one of the crop years within the base period as a measure of "ability to produce" and (b) 12.5 percent of the total sugarcane acreage on the farm for the other four years of the base period, as a measure of "past production" It is believed that a five-year period, including the 1953 crop, will be a more representative base than the three-year period proposed by the Department at the hearing. That proposal was predicated on the assumption that 1953 data would not be available sufficiently early. The use of this method does not result in the extent of inflation in bases which would occur from the selection of the three highest years in a five-year base period in measuring ability and past production, as was recommended at the hearing.

The proportionate share for any farm with a base in excess of 27.8 acres will be computed by applying a uniform adjustment factor of 0.90 to such farm base. The 27.8 figure was established by dividing 25.0 acres by 0.90. However, if the result is less than 80 percent of the 1953 sugarcane acreage for such farm, the share will be 80 percent of the 1953 acreage. It is believed that the adjustment required on any farm should not be more than twice the adjustment required generally.

The adjustment factor has been determined by subtracting the estimated 1954 acreage resulting from the provisions relating to small farms, new farms, appeals and minimum shares, from the estimated total acreage required to produce a crop of approximately 545,000 tons of sugar, adjusted for the probable deficits of production within some shares and the possible decrease in use of seed cane, and dividing the result by the total bases of the farms subject to such factor.

The proportionate share for any farm with a base of 27.8 acres or less shall be the largest (a) 10 acres; (b) the base, but not in excess of 25 acres; (c) the 1953 acreage, but not in excess of 25 acres; and (d) 80 percent of the 1953 acreage. To minimize the adjustment required on farms of this size, item (c) has been included. The proportionate share for any farm without a farm base, i. e., farms which had no acreage in the base period, will be 10 acres.

The Department's proposal at the hearing suggested 10.0 acres as the minimum share for small farms and the share for new farms. Some testimony proposed the use of 5.0 acres rather than 10.0 acres. This recommendation has not been adopted since it is believed that the returns from less than 10.0 acres of cane would not sustain a reasonable operation.

Provision has been made for the consideration by the local county and State committees of appeals for adjustment in proportionate shares. Authority to decide appeals except those resulting from the use of inaccurate data has been vested in the State Committee, in order to insure uniformity of treatment within the numerous producing counties in the area. Provision has also been made for share tenant and share cropper protection in accordance with the act.

Because of differences in farming operations, including crop rotations and other practices, no restrictive program which is based primarily upon production records, will be completely satisfactory in its application to all farms. However, it is believed that this determination, with its various special provisions, provides an equitable basis for establishing proportionate shares.

Accordingly, I hereby find and conclude that the foregoing determination will effectuate the applicable provisions of the act.

Issued this 11th day of August 1953.

[SEAL] E. T. BENSON,
Secretary of Agriculture.

[F. R. Doc. 53-7200; Filed, Aug. 14, 1953; 8:49 a. m.]

Chapter IX—Production and Marketing Administration (Marketing Agreements and Orders), Department of Agriculture

PART 941—MILK IN THE CHICAGO, ILLINOIS, MARKETING AREA

ORDER SUSPENDING CERTAIN PROVISIONS

Pursuant to the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.) hereinafter referred to as the "act," and of the order (7 CFR Part 941) regulating the handling of milk in the Chicago, Illinois, marketing area hereinafter referred to as the "order," it is hereby found and determined that:

(a) The words "during part or all of the months of December through July, inclusive," in § 941.7 of such order will not tend to effectuate the declared policy of the act with respect to all milk subject to the provisions thereof for the period from the effective date hereof through September 7, 1953.

(b) Notice of proposed rule making, public procedure thereon, and 30 days notice of the effective date hereof are found to be impracticable, unnecessary and contrary to the public interest in that:

(1) The information upon which this action is based did not become available in sufficient time for such compliance;

(2) This suspension order relieves handlers from certain restrictions insofar as the present provisions of § 941.7 do not permit handlers to dispose of surplus milk of qualified producers by direct diversion to non-pool plants during the period from the effective date hereof through September 7, 1953;

(3) It is necessary to issue and make effective as set forth below this suspension order to reflect current marketing conditions and to facilitate, promote and maintain orderly marketing conditions in the Chicago, Illinois, marketing area, and

(4) This suspension order does not require of persons affected substantial or extensive preparation prior to its effective date.

It is therefore ordered, That the following provision of the order be and hereby is suspended immediately for the period through September 7, 1953, inclusive:

1. In § 941.7, the words "during part or all of the months of December through July, inclusive"

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Done at Washington, D. C., this 13th day of August 1953.

[SEAL] TRUE D. MORSE,
Acting Secretary of Agriculture.

[F. R. Doc. 53-7267; Filed, Aug. 14, 1953; 9:25 a. m.]

[Lemon Reg. 498]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

LIMITATION OF SHIPMENTS

§ 953.605 *Lemon Regulation 498*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953) regulating the handling of lemons grown in the State of California or in the State of Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of the quantity of such lemons which may be handled, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions of this section effective as hereinafter set forth. Shipments of lemons, grown in the State of California or in the State of Arizona, are currently subject to regulation pursuant to said amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified in this section was promptly submitted to the Department after an open meeting of the Lemon Administrative Committee on August 12, 1953, such meeting was held, after giving due notice thereof to consider recommendations for regulation, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter specified; and compliance with this section will not require any special preparation on the part of persons subject thereto which cannot be completed by the effective time of this section.

(b) *Order* (1) The quantity of lemons grown in the State of California or in the State of Arizona which may be handled during the period beginning at 12: 01 a. m., P. s. t., August 16, 1953, and ending at 12: 01 a. m., P. s. t., August 23, 1953, is hereby fixed as follows:

(i) District 1. Unlimited movement;

(ii) District 2: 350 carloads.

(iii) District 3: Unlimited movement.

(2) The prorate base of each handler who has made application therefor, as provided in the said amended marketing agreement and order, is hereby fixed in

accordance with the prorate base schedule which is attached to Lemon Regulation 497 (18 F. R. 4703) and made a part hereof by this reference.

(3) As used in this section, "handled," "handler," "carloads," "prorate base," "District 1," "District 2," and "District 3," shall have the same meaning as when used in the said amended marketing agreement and order.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 608c)

Done at Washington, D. C., this 13th day of August 1953.

[SEAL] S. R. SMITH,
Director Fruit and Vegetable Branch, Production and Marketing Administration.

[F. R. Doc. 53-7268; Filed, Aug. 14, 1953; 8:45 a. m.]

Chapter XI—Agricultural Conservation Program, Department of Agriculture

[Bulletin NSCP-1801]

PART 1106—NAVAL STORES CONSERVATION PROGRAM

SUBPART G—1954

Payments will be made for participation in the 1954 Naval Stores Conservation Program (hereinafter referred to as "this Program") in accordance with the provisions of this bulletin and such modifications thereof as may hereafter be made. Payments are predicated upon the economic use and conservation of soil and timber resources on turpentine farms, and computed on the faces in the tract or drift where an approved conservation practice is carried out.

This program provides for payments for conservation practices only on turpentine farms having tracts or drifts of faces which were installed during, or after, the 1950 season.

GENERAL PROVISIONS

Sec.
1106.501 Required performance.
1106.502 Inspection assistance.
1106.503 Fire protection.

CONSERVATION PRACTICES AND RATES OF PAYMENT

1106.510 Conservation practices and rates of payment.
1106.511 Cupping only trees 9 inches or over d. b. h., 2 cents per face.
1106.512 Continuation of working faces on trees 9 inches or over d. b. h., ½ cent per face.
1106.513 Cupping only trees 10 inches or over d. b. h., 3½ cents per face.
1106.514 Continuation of working faces on trees 10 inches or over d. b. h., 2 cents per face.
1106.515 Cupping only trees 11 inches or over d. b. h., 4½ cents per face.
1106.516 Continuation of working faces on trees 11 inches or over d. b. h., 2½ cents per face.
1106.517 Restricted cupping; 5 cents per face.
1106.518 Continuation of restricted cupping practices; 2½ cents per face.
1106.519 Selective cupping; 7 cents per face.
1106.520 Continuation of selective cupping practice on selected trees; 3 cents per face.
1106.521 Initial use of spiral gutters and double-headed nails to minimize damage to the trees in installing faces for the virgin year or in the first elevation; 1½ cents per face.
1106.522 Initial use of double-headed nails to conserve worked portion of the trees; ½ cent per face.
1106.523 Pilot plant tests; 8 cents or 11 cents per face.

GENERAL PROVISIONS RELATING TO PAYMENTS

1106.524 Increase in small payments.
1106.525 Maintenance of practices.
1106.526 Practices defeating purposes of programs.
1106.527 Payment computed and made without regard to claims.
1106.528 Assignments.
1106.529 Death, incompetency, or disappearance of producer.
1106.530 Payments limited to $1,500.
1106.531 Evasion.

APPLICATION FOR PAYMENT

1106.532 Persons eligible to file applications.
1106.533 Time and manner of filing applications and information required.

APPEALS

1106.534 Appeals.

DEFINITIONS

1106.535 Definitions.

AUTHORITY AND AVAILABILITY OF FUNDS, APPLICABILITY AND ADMINISTRATION

1106.536 Authority.
1106.537 Availability of funds.
1106.538 Applicability.
1106.539 Administration.

AUTHORITY: §§ 1106.501 to 1106.539 issued under sec. 4, 49 Stat. 164; 16 U. S. C. 590d. Interpret or apply secs. 7-17, 49 Stat. 1148, as amended; Pub. Law 156, 83d Cong.; 16 U. S. C. 590g-590q.

GENERAL PROVISIONS

§ 1106.501 *Required performance.* Each participating producer shall, on every turpentine farm owned or operated by him during the 1954 turpentine season, carry out one of the approved conservation practices in every tract or drift of faces that were installed during the 1950, 1951, 1952, 1953, or 1954 season, unless the Forest Service approves face installations made without carrying out a conservation practice. In cases where such approval is given for specific tracts or drifts of the turpentine farm, no payment will be made for any faces in such tracts or drifts.

§ 1106.502 *Inspection assistance.* Each producer shall assist representatives of the Forest Service in the administration of this program by:

(a) Giving them free access to his turpentine farm or farms;

(b) Counting all faces and keeping written records thereof separately by tracts and drifts;

(c) Furnishing count records and satisfactory evidence of control of faces to the local inspector (area forester) when requested;

(d) Furnishing information on burned areas, cutting operations, and interest in other turpentine farms as requested;

(e) Furnishing competent labor to assist the local inspector (area forester) in counting faces;

(f) Submitting an application for payment (Form NSCP 1803) and other prescribed forms;

(g) Notifying the Forest Service promptly of any change in ownership or control; and

(h) Otherwise facilitating the work of the inspector (area forester) in checking compliance with the terms and conditions of this program.

§ 1106.503 *Fire protection.* Each producer shall cooperate with any existing cooperative fire control system serving the general area where his turpentine farm is located, unless he is otherwise following approved forest fire protection on his turpentine farm.

CONSERVATION PRACTICES AND RATES OF PAYMENT

§ 1106.510 *Conservation practices and rates of payment.* No tract or drift can qualify for payment under more than one conservation practice other than provided for under practices specified in §§ 1106.521 and 1106.522. No tract or drift having virgin faces installed can qualify for a payment unless the shoulder of the first streak on any face on a round tree which is not deformed is less than 18 inches from the ground. In each of the practices the faces are to be worked sufficiently to obtain at least one dipping of gum.

§ 1106.511 *Cupping only trees 9 inches or over d. b. h., 2 cents per face*—(a) *Payment.* Payment for this practice is limited to tracts or drifts having only virgin working faces, i. e., faces installed for the first working during the 1954 season.

(b) *Performance.* Trees on which faces are installed shall be selected in a manner that will result in having no faces (except back faces on trees having a work-out face) on trees which are less than 9 inches d. b. h. and only one face on trees less than 14 inches d. b. h.. *Provided,* That the installation of two cups on trees less than 14 inches d. b. h. in any tract or drift may be approved by the Forest Service as meeting the performance requirements of this paragraph where the Forest Service has determined such action conforms to sound forest conservation practice. If faces have been installed contrary to these performance requirements, the cups and tins for such faces shall be removed within 30 days after being discovered unless a longer period of time for their removal is approved by the Forest Service.

§ 1106.512 *Continuation of working faces on trees 9 inches or over d. b. h., ½ cent per face*—(a) *Payment.* Payment for this practice is limited to tracts or drifts having faces installed during the 1950, 1951, 1952 or 1953 season, together with any new faces that may have been installed within such tracts or drifts during the 1954 season.

(b) *Performance.* With the exception of back faces on trees having a worked-out face, the only faces that may be continued as working faces are those on trees which are at least 9 inches d. b. h., and not more than one face may be continued on any tree which is less than 14

inches d. b. h.. *Provided, however* That faces installed during or after the 1950 season which do not meet the above requirements but were approved for payment under a previous program, will be accepted under this practice if such faces are still being worked in 1954. If faces have been installed contrary to the requirements, the cups and tins on such faces shall be removed within 30 days after being discovered, unless a longer period of time for their removal is approved by the Forest Service.

§ 1106.513 *Cupping only trees 10 inches or over d. b. h., 3½ cents per face*—(a) *Payment.* Payment for this practice is limited to tracts or drifts having only virgin working faces, i. e., faces installed for the first working during the 1954 season.

(b) *Performance.* Trees on which faces are installed shall be selected in a manner that will result in having no working faces on round trees which are less than 10 inches d. b. h. and only one face on trees less than 14 inches d. b. h.. *Provided,* That the installation of two cups on trees less than 14 inches d. b. h. in any tract or drift may be approved by the Forest Service as meeting the performance requirements of this paragraph where the Forest Service has determined such action conforms to sound forest conservation practice. If upon inspection it is found that round trees are cupped less than 10 inches d. b. h., the producer may qualify for payment under the practice specified in § 1106.511.

§ 1106.514 *Continuation of working faces on trees 10 inches or over d. b. h., 2 cents per face*—(a) *Payment.* Payment for this practice is limited to tracts or drifts which met the requirements described in § 1106.513 in 1950, 1951, 1952, or 1953.

(b) *Performance.* New faces installed on any trees in these tracts or drifts will disqualify the tracts or drifts for payment under this practice. If, however, new faces have been installed on any trees, the entire tracts or drifts will be considered only for qualification under the provisions of § 1106.512. There may be withheld or required to be refunded, 2 cents per face for each face in the tracts or drifts in which such installation occurs and for which a payment was made in 1950, 1951, 1952 or 1953.

§ 1106.515 *Cupping only trees 11 inches or over d. b. h., 4½ cents per face*—(a) *Payment.* Payment for this practice is limited to tracts or drifts having only virgin working faces, i. e., faces installed for the first working during the 1954 season.

(b) *Performance.* Trees on which faces are installed shall be selected in a manner that will result in having no working faces on round trees which are less than 11 inches d. b. h. and only one face on trees less than 14 inches d. b. h.. *Provided,* That the installation of two cups on trees less than 14 inches d. b. h. in any tract or drift may be approved by the Forest Service as meeting the performance requirements of this paragraph where the Forest Service has determined such action conforms to sound forest conservation practice. If upon inspection it is found that round trees are cupped below 11 inches d. b. h., the producer may qualify for practices described in § 1106.511 or 1106.513.

§ 1106.516 *Continuation of working faces on trees 11 inches or over d. b. h., 2½ cents per face*—(a) *Payment.* Payment for this practice is limited to tracts or drifts which met the requirements described in § 1106.515 in 1950, 1951, 1952 or 1953.

(b) *Performance.* New faces installed on any trees in these tracts or drifts which earned a payment for the 11 inches cupping practice will disqualify the tracts or drifts for payment under this practice. If, however, new faces have been installed on any trees, the entire tracts or drifts will be considered for qualification only under the provisions of § 1106.512. There may be withheld or required to be refunded 2½ cents per face for each face in the tracts or drifts in which such installation occurs and for which payment was made in 1950, 1951, 1952 or 1953.

§ 1106.517 *Restricted cupping; 5 cents per face*—(a) *Payment.* This practice limits the installation of new 1954 virgin faces to previously worked trees.

(b) *Performance.* Trees on which faces are installed shall be selected in a manner that will result in having no faces on round trees. If, upon inspection, it is found that this requirement is not met, tracts or drifts may qualify for payment under the practice specified in § 1106.511, 1106.513 or 1106.515.

§ 1106.518 *Continuation of restricted cupping or selective recupping practices; 2½ cents per face*—(a) *Payment.* Payment for this practice is limited to those tracts or drifts which qualified for the restricted cupping or selective recupping practices in 1950, 1951, 1952, or 1953.

(b) *Performance.* New faces installed on any trees in these tracts or drifts which earned a payment for the restricted cupping or selective recupping practices will disqualify the tracts or drifts for payment under this practice. If, however, new faces have been installed on any trees, the entire tract or drift will be considered for qualification only under the provisions in § 1106.512. There may be withheld or required to be refunded 3 cents per face for each face in the tracts or drifts in which such installation occurs and for which a payment was made in the 1950, 1951, 1952 or 1953 program.

§ 1106.519 *Selective cupping; 7 cents per face.* Only trees which should be removed to improve the timber stand will be cupped.

(a) *Payment.*. Payment for this practice is limited to tracts or drifts having only virgin working faces, i. e., faces installed for the first working during the 1954 season.

(b) *Performance.* To qualify for this practice, all selectively cupped areas must meet one of the applicable requirements as follows:

(1) Areas having 50 or more round trees 9 inches or more d. b. h. per acre shall be cupped in a manner that will result in leaving well distributed over the area at least as many round trees 9 inches or more d. b. h. uncupped as are cupped.

(2) Areas having less than 50 round trees per acre shall be cupped in a manner that will result in leaving well distributed over the area a minimum of 25 uncupped round trees per acre which are 9 inches or more d. b. h.

When these requirements are not met, the area will be considered for qualification under one of the diameter cupping practices as specified in § 1106.511, 1106.513 or 1106.515.

§ 1106.520 *Continuation of selective cupping practice on selected trees; 3 cents per face*—(a) *Payment.* Payment for this practice is limited to those tracts or drifts which qualified for the selective cupping practice in the 1950, 1951, 1952, or 1953 program.

(b) *Performance.* New faces installed on round trees in these tracts or drifts will disqualify the tracts or drifts for payment under this practice. If however, new faces have been installed on round trees the entire tract or drift will be considered for qualification only under the provisions of § 1106.512. There may be withheld or required to be refunded 4 cents per face for each face in the tracts or drifts in which such installation occurs, and for which a payment was made in 1950, 1951, 1952, or 1953 program.

§ 1106.521 *Initial use of spiral gutters and double-headed nails to minimize damage to the trees in installing faces for the virgin year or in the first elevation, 1½ cents per face*—(a) *Payment.* Payment for this practice is limited to tracts or drifts having only virgin working faces, i. e., faces installed for the first working during the 1954 season or faces upon which the cups are elevated for the first time during the 1954 season.

(b) *Performance.* Cups and tins shall be installed in a manner that will minimize the loss of gum and restrict the amount of damage to the tree. Spiral gutters shall be used and the tins and gutters shall be attached to the tree with double-headed nails. In smoothing the tree and seating the cup for the virgin installation exposure of wood shall be limited to areas on the tree having burls, ridges, or other deformities.

This payment is in addition to that authorized for meeting the requirements of § 1106.511, § 1106.512, § 1106.513, § 1106.514, § 1106.515, § 1106.516, § 1106.517, § 1106.18, § 1106.519, § 1106.520 or § 1106.523.

§ 1106.522 *Initial use of double-headed nails to conserve worked portion of the tree; ½ cent per face*—(a) *Payment.* Payment for this practice is limited to tracts or drifts having cups and tins elevated for the first time during the 1954 season, in which operation double-headed nails are used for the first time.

(b) *Performance.* When cups and tins are raised from the virgin installation they shall be installed on the face in a manner that will minimize the loss of gum and conserve the worked portion of the tree. Incisions, if used, shall be shallow and tins shall be attached to the face by double-headed nails. All nails

and tins below the raised cup and above stump height shall be removed. Payment for this practice is limited to faces elevated without the use of spiral gutters.

This payment is in addition to that authorized for meeting the requirements of § 1106.512, § 1106.514, § 1106.516, § 1106.518; § 1106.520 or § 1106.523.

§ 1106.523 *Pilot plant tests; 8 cents or 11 cents per face*—(a) *Payment.* Payment for this practice will be limited to a small number of producers who are selected by the Forest Service to conduct controlled experiments in new methods and equipment for gum production. The 8 cents per face payment will apply to faces which meet the requirements of § 1106.511 or § 1106.512. The 11 cents per face payment will apply to faces which meet the requirements of § 1106.513, § 1106.514, § 1106.515, § 1106.516, § 1106.517, § 1106.518, § 1106.519 or § 1106.520.

(b) *Performance.* The experiments are to be carried out in accordance with provisions prescribed by the Forest Service.

GENERAL PROVISIONS RELATING TO PAYMENTS

§ 1106.524 *Increase in small payments.* The total payment computed for any producer with respect to his turpentine farm shall be increased as follows: (a) Any payment amounting to 71 cents or less shall be increased to $1.00; (b) any payment amounting to more than 71 cents but less than $1.00 shall be increased by 40 percent; (c) any payment amounting to $1.00 or more shall be increased in accordance with the following schedule:

Amount of payment computed:	Increase in payment
$1.00 to $1.99	$0.40
$2.00 to $2.99	0.80
$3.00 to $3.99	1.20
$4.00 to $4.99	1.60
$5.00 to $5.99	2.00
$6.00 to $6.99	2.40
$7.00 to $7.99	2.80
$8.00 to $8.99	3.20
$9.00 to $9.99	3.60
$10.00 to $10.99	4.00
$11.00 to $11.99	4.40
$12.00 to $12.99	4.80
$13.00 to $13.99	5.20
$14.00 to $14.99	5.60
$15.00 to $15.99	6.00
$16.00 to $16.99	6.40
$17.00 to $17.99	6.80
$18.00 to $18.99	7.20
$19.00 to $19.99	7.60
$20.00 to $20.99	8.00
$21.00 to $21.99	8.20
$22.00 to $22.99	8.40
$23.00 to $23.99	8.60
$24.00 to $24.99	8.80
$25.00 to $25.99	9.00
$26.00 to $26.99	9.20
$27.00 to $27.99	9.40
$28.00 to $28.99	9.60
$29.00 to $29.99	9.80
$30.00 to $30.99	10.00
$31.00 to $31.99	10.20
$32.00 to $32.99	10.40
$33.00 to $33.99	10.60
$34.00 to $34.99	10.80
$35.00 to $35.99	11.00
$36.00 to $36.99	11.20
$37.00 to $37.99	11.40
$38.00 to $38.99	11.60
$39.00 to $39.99	11.80
$40.00 to $40.99	12.00
$41.00 to $41.99	12.10
$42.00 to $42.99	12.20
$43.00 to $43.99	12.30
$44.00 to $44.99	12.40
$45.00 to $45.99	12.50
$46.00 to $46.99	12.60
$47.00 to $47.99	12.70
$48.00 to $48.99	12.80
$49.00 to $49.99	12.90
$50.00 to $50.99	13.00
$51.00 to $51.99	13.10
$52.00 to $52.99	13.20
$53.00 to $53.99	13.30
$54.00 to $54.99	13.40
$55.00 to $55.99	13.50
$56.00 to $56.99	13.60
$57.00 to $57.99	13.70
$58.00 to $58.99	13.80
$59.00 to $59.99	13.90
$60.00 to $185.99	14.00
$186.00 to $199.99	(1)
$200.00 and over	(2)

[1] Increase to $200.
[2] No increase.

§ 1106.525 *Maintenance of practices.* Any payment for performance of approved practices included in this program will be subject to the condition that the producer to whom the payment is made will maintain such practices in accordance with good forestry practices.

§ 1106.526 *Practices defeating purposes of programs.* If the Forest Service finds that any producer has adopted or participated in any practice which tends to defeat the purposes of this program or previous programs, it may withhold or require to be refunded all or any part of any payment which has been or otherwise would be made to such producer under this program. Practices which tend to defeat the purposes of this and previous programs shall include, but are not restricted to, the following:

(a) The cutting contrary to good forestry practice of turpentine trees in drifts or tracts (including current nonworking areas) on which conservation payments have been or would be made under this or the 1950, 1951, 1952 or 1953 programs. There may be withheld or required to be refunded 3 cents per face for each face that was worked in 1950, 1951, 1952, 1953 or 1954 in the tracts or drifts in which such cutting occurs. Conformity to the following rules shall be considered good cutting practice.

(1) When turpentine trees are cut for thinnings at least 150 trees per acre of approximately the same size as the trees which are cut should be left uncut and undamaged and well distributed over the cutting area.

(2) When turpentine trees are cut in a harvest cutting at least 500 turpentine trees per acre shall be left uncut and undamaged or six thrifty turpentine seed trees per acre, 10 inches d. b. h. or more shall be left uncut and undamaged, or if clear cut artificial planting of at least 500 trees per acre will be accomplished prior to April 1, 1955.

(b) The burning by the producer on any drift or tract of his turpentine farm which will destroy natural reforestation on land which is not fully stocked with turpentine trees or which will result in damage to established turpentine tree reproduction. There may be withheld or required to be refunded all or any part of the payment earned under this program on the drifts or tracts in which such improper burning occurs.

(c) The installation of new faces on round trees less than 9 inches d. b. h. or more than one face on round trees less than 14 inches d. b. h. in tracts or drifts having working faces installed during or prior to the 1949 turpentine season. There may be withheld or required to be refunded, 2 cents per face for each working face installed during or prior to 1949 in the tracts or drifts in which such installation occurs.

§ 1106.527 *Payment computed and made without regard to claims.* Any payment or share of payment shall be computed and made without regard to questions of title under State law; without deduction of claims for advances (except as provided in § 1106.528 and except for indebtedness to the United States subject to set-off under orders issued by the Secretary (Part 1109 of this chapter) and without regard to any claim or lien against any crop, or proceeds thereof, in favor of the owner or any other creditor.

§ 1106.528 *Assignments.* Any producer who may be entitled to any payment in connection with this program may assign his payment, in whole or in part, as security for cash loaned or advances made for the purpose of financing the making of a crop in 1954. No assignment will be recognized unless it is made in writing on Form ACP-69 in accordance with the applicable instructions (ACP-70) witnessed, however, by an inspector or the program supervisor of the Forest Service and filed with the Forest Service, Valdosta, Georgia.

§ 1106.529 *Death, incompetency, or disappearance of producer.* In case of death, incompetency, or disappearance of any producer, his share of the payment shall be paid to his successor, determined in accordance with the provisions of the regulations in ACP-122, as amended (Part 1108 of this chapter)

§ 1106.530 *Payments limited to $1,500.* The total of all payments made in connection with the 1954 Naval Stores Conservation Program and the 1954 Agricultural Conservation Program to any producer participating in said program(s) shall not exceed the sum of $1,500.

§ 1106.531 *Evasion.* All or any part of any payment which has been or otherwise would be made to any producer participating in this program may be withheld or required to be refunded if he has adopted or participated in adopting any scheme or device, including the dissolution, reorganization, revival, formation or use of any corporation, partnership, estate, trust, or any other means which was designed to evade, or which has the effect of evading, the provisions of § 1106.530.

APPLICATION FOR PAYMENT

§ 1106.532 *Persons eligible to file applications.* An application for payment may be filed by any producer who is working faces for the production of gum naval stores, during the 1954 turpentine season, which were installed during or

after the 1950 season. If one producer conducts the operation of a turpentine farm during a portion of the 1954 turpentine season and another producer conducts the operation of the turpentine farm during the remainder of the season, the producer who completes the conservation practices shall file the application.

§ 1106.533 *Time and manner of filing applications and information required.* Payments will be made only when a report of performance is submitted to the Forest Service on or before January 15, 1955, on the prescribed form (NSCP–1803) Application for Payment. Payment may be withheld from any producer who fails to file any form or furnish any information required with respect to any turpentine farm which is being operated by him.

APPEALS

§ 1106.534 *Appeals.* Any producer may, within 15 days after notice thereof is forwarded to or made available to him, request the Regional Forester in writing to review the recommendation or determination of the Program Supervisor in any matter affecting the right to or the amount of payment with respect to the producer's turpentine farm. The Regional Forester shall notify the producer of his decision in writing within 30 days after the submission of the appeal. If the producer is dissatisfied with the decision of the Regional Forester he may, within 15 days after the decision is forwarded to or made available to him, request the American Turpentine Farmers Association Cooperative, Valdosta, Georgia, in writing to appoint a committee of fellow producers to review the case; if the committee does not concur with the decision of the Regional Forester, the producer may request the Chief of the Forest Service to review the case and render his decision, which shall be final.

DEFINITIONS

§ 1106.535 *Definitions*—(a) *Gum naval stores.* Crude gum (oleoresin) gum turpentine and gum rosin produced from living trees.

(b) *Producer* Any person, firm, partnership, corporation, or other business enterprise, doing business as a single legal entity, producing gum naval stores from turpentine trees controlled through fee ownership, cash lease, percentage lease, share lease, or other form of control.

(c) *Turpentine tree.* Any tree of either of the two species, longleaf pine (Pinus palustris) or slash pine (Pinus caribaea)

(d) *Turpentine farm.* This includes (1) land growing turpentine trees, owned or leased by a producer in one general locality, which are currently being worked for gum naval stores, herein referred to as a working area, and (2) all commercially valuable or potentially valuable forest land, owned by a producer, on which turpentine trees are growing and which are not being currently worked for gum naval stores, herein referred to as a nonworking area.

(e) *Tract.* A portion of a working area having a continuous stand of trees supporting faces of one age class or intermingled age classes.

(f) *Drift.* A portion or subdivision of a tract set apart for convenience of operation or administration.

(g) *Crop.* 10,000 faces.

(h) *Face.* The whole wound or aggregate of streaks made by chipping, streaking, or pulling the live tree to stimulate the flow of crude gum (oleoresin) herein referred to as gum.

(i) *Cup.* A container made of metal, clay or other material hung on or below the face to accumulate the flow of gum.

(j) *Tins.* The gutters or aprons, made of sheet metal or other material, used to conduct the gum from a face into a cup.

(k) *D. b. h.* Diameter breast height; i. e., diameter of tree measured 4½ feet from the ground.

(l) *Round tree.* Any tree which has not been faced or scarred.

(m) *Scarred tree.* A tree having an idle face not over 36 inches in vertical measurement from the shoulder of the first streak to the shoulder of the last streak.

(n) *Worked-out face.* An idle face which is 60 inches or more in vertical measurement between the shoulder of the first streak and the shoulder of the last streak, or a dry face.

(o) *Spiral gutter* A curved gutter that follows a spiral path around the tree.

(p) *Double-headed nail.* A nail approximately one inch long with a flange about five sixteenths of an inch from the head.

AUTHORITY AND AVAILABILITY OF FUNDS, APPLICABILITY AND ADMINISTRATION

§ 1106.536 *Authority.* This program is approved pursuant to the authority vested in the Secretary of Agriculture under sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended, and the Department of Agriculture Appropriation Act, 1954.

§ 1106.537 *Availability of funds.* (a) The provisions of this program are necessarily subject to such legislation affecting said program as the Congress of the United States may hereafter enact; the making of the payments herein provided for is contingent upon such appropriation as the Congress may hereafter provide for such purpose; and the amounts of such payments will be finally determined by such appropriation and by the extent of participation in this program.

(b) The funds provided for this program will not be available for the payment of applications filed after December 31, 1955.

§ 1106.538 *Applicability.* (a) The provisions of this program are not applicable to any turpentining operations within the public domain of the United States, including the lands and timber owned by the United States which were acquired or reserved for conservation purposes, or which are to be retained permanently under Government ownership (such lands include, but are not limited to lands owned by the United States which are administered by the Forest Service or the Soil Conservation Service of the Department of Agriculture, or by the Bureau of Land Management or the Fish and Wildlife Service of Department of the Interior)

(b) This program is applicable to (1) turpentine farms on privately owned lands, (2) lands owned by a State or a political subdivision or agency thereof, or (3) lands owned by corporations which are either partly or wholly owned by the United States provided such lands are temporarily under such government or corporation ownership and are not acquired or reserved for conservation purposes. Only turpentine farms on lands that are administered by the Farmers Home Administration, the Reconstruction Finance Corporation, or the Federal Farm Mortgage Corporation, Production Credit Associations, or the U. S. Department of Defense, shall be considered eligible unless the Forest Service finds that land administered by any other agency complies with all of the foregoing provisions for eligibility.

§ 1106.539 *Administration.* The Forest Service shall have charge of the administration of this program and is hereby authorized to prepare and to issue such bulletins, instructions and forms, and to make such determinations, as may be required to administer this program, pursuant to the provisions of this bulletin, and the field work shall be administered by the Forest Service through the office of the Regional Forester, United States Forest Service, 50 Seventh Street, N. E., Atlanta 5, Georgia. Information concerning this program may be secured from the Forest Service, Valdosta, Georgia, or from any local Area Forester of the Forest Service.

Done at Washington, D. C., this 12th day of August 1953.

[SEAL] E. T. BENSON,
Secretary of Agriculture.

[F. R. Doc. 53–7210; Filed, Aug. 14, 1953; 8:51 a. m.]

TITLE 15—COMMERCE AND FOREIGN TRADE

Chapter III—Bureau of Foreign and Domestic Commerce, Department of Commerce

Subchapter C—Office of International Trade

[6th Gen. Rev. of Export Regs., Amdt. 60]

PART 373—LICENSING POLICIES AND RELATED SPECIAL PROVISIONS

MISCELLANEOUS AMENDMENTS

1. Section 373.39 *Applicability of multiple commodity group provisions to commodity group 6 commodities* is amended by deleting paragraph (d), *Past participation in exports.*

2. Section 373.41 *Nonferrous commodities, including ores, concentrates, or unrefined products* is amended in the following particulars:

a. Paragraph (d) *Copper and copper-base alloy scrap* is amended to read as follows:

(d) *Copper and copper-base alloy scrap.* (1) Each application covering copper and copper-base alloy scrap, new

and old, Schedule B Nos. 641300 and 644000, shall include in the commodity description the code specification of the National Association of Waste Material Dealers (NAWMD) applicable to each commodity.

(2) Additional applications for licenses to export copper scrap and copper-base alloy scrap (Schedule B Nos. 641300 and 644000) against third-quarter 1953 quotas will be considered between August 20, 1953 and September 20, 1953. Such applications must be accompanied by a statement in writing or by cable from the foreign buyer dated August 20, 1953, or later, affirming the order, or reaffirming the balance of the order in the case of resubmitted applications, on the same terms and conditions reflected in the application and in the import certificate or ultimate consignee's statement as originally submitted.

b. Paragraph (e) *Copper refinery shapes* is deleted.

3. Section 373.71 *Supplement 1, Time schedules for submission of applications for license to export certain positive list commodities* is amended in the following particulars:

a. The submission dates for the Third Quarter, 1953, for "Copper scrap (new and old)" Schedule B No. 641300, and for "Copper-base alloy scrap (new and old)" Schedule B No. 644000, are amended to read as follows: "August 20–September 20, 1953"

b. The submission dates for the Third Quarter, 1953, for "Copper-base alloy ingot" Schedule B No. 644100, are deleted.

This amendment shall become effective as of August 14, 1953.

(Sec. 3, 63 Stat. 7; 65 Stat. 43; 67 Stat. 62; 50 U. S. C. App. Sup. 2023. E. O. 9630, Sept. 27, 1945, 10 F. R. 12245, 3 CFR 1945 Supp., E. O. 9919, Jan. 3, 1948, 13 F. R. 59, 3 CFR 1948 Supp.)

E. E. SCHNELLBACHER,
Acting Director
Office of International Trade.

[F. R. Doc. 53-7204; Filed, Aug. 14, 1953; 8:50 a. m.]

TITLE 29—LABOR

Chapter V—Wage and Hour Division, Department of Labor

PART 709—PEARL BUTTON AND BUCKLE DIVISION OF THE BUTTON, BUCKLE AND JEWELRY INDUSTRY IN PUERTO RICO

WAGE ORDER

Pursuant to the Administrative Procedure Act (60 Stat. 237; 5 U. S. C. 1001) notice was published in the FEDERAL REGISTER on April 14, 1953 (18 F. R. 2085–2087) of my decision to approve the recommendation of Special Industry Committee No. 12 for Puerto Rico for, inter alia, the Pearl Button and Buckle Division of the Button, Buckle and Jewelry Industry in Puerto Rico and the wage order which I proposed to issue to carry such recommendations into effect was published therewith.

As indicated in the notice, my findings and conclusions in this matter were set forth in a document entitled "Findings and Opinion of the Administrator in the Matter of the Recommendations of Special Industry Committee No. 12 for Minimum Wage Rates in the Button, Buckle and Jewelry Industry in Puerto Rico."

Interested parties were given an opportunity to file exceptions to the proposed actions within 20 days of the date of publication of the notice. This period was subsequently extended to May 18, 1953 with respect to the Committee's recommendation for the Pearl Button and Buckle Division of the Button, Buckle and Jewelry Industry in Puerto Rico (18 F. R. 2608–2609). Exceptions to the proposed action were filed by the Red Star Manufacturing Company, Inc., and by the Manati Pearl Works, Inc. These exceptions have been considered, but I find they present no new matter which would require modifications of the previous conclusions, as set forth in a document entitled "Findings and Opinion of the Administrator in the Matter of the Recommendations of Special Industry Committee No. 12 for Minimum Wage Rates in the Button, Buckle and Jewelry Industry in Puerto Rico."

Accordingly, pursuant to the authority under the Fair Labor Standards Act of 1938, as amended (52 Stat. 1060, as amended; 29 U. S. C. 201) the said decision is affirmed and made final, the recommendations of Special Industry Committee No. 12 for Puerto Rico for a minimum wage rate for the Pearl Button and Buckle Division of the Button, Buckle and Jewelry Industry in Puerto Rico is hereby approved, and the wage order contained in this part is hereby revised to read as set forth in the April 14, 1953, issue of the FEDERAL REGISTER (18 F. R. 2085–2087) and as set forth below, to become effective on the 14th day of September 1953.

Signed at Washington, D. C., this 12th day of August 1953.

F. GRANVILLE GRIMES, Jr.,
Acting Administrator
Wage and Hour Division.

Sec.
709.1 Wage rates.
709.2 Notices of order.
709.3 Definition of the pearl button and buckle division of the button, buckle and jewelry industry in Puerto Rico.

AUTHORITY: §§ 709.1 to 709.3 issued under sec. 8, 63 Stat. 915; 29 U. S. C. 203. Interpret and apply sec. 5, 63 Stat. 911; 29 U. S. C. 205.

§ 709.1 *Wage rates.* Wages at a rate of not less than 54 cents per hour shall be paid under section 6 of the Fair Labor Standards Act of 1938, as amended, by every employer to each of his employees in the pearl button and buckle division of the button, buckle and jewelry industry in Puerto Rico who is engaged in commerce or in the production of goods for commerce.

§ 709.2 *Notices of order.* Every employer employing any employees so engaged in commerce or in the production of goods for commerce in the pearl button and buckle division of the button, buckle and jewelry industry in Puerto Rico shall post and keep posted in a conspicuous place of each department of his establishment where such employees are working such notices of this order as shall be prescribed from time to time by the Wage and Hour Division of the United States Department of Labor and shall give such other notice as the division shall prescribe.

§ 709.3 *Definition of the pearl button and buckle division of the button, buckle and jewelry industry in Puerto Rico.* The manufacture of buttons and buckles from ocean pearl or other natural shell.

[F. R. Doc. 53-7207; Filed, Aug. 14, 1953; 8:51 a. m.]

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter XXIII—Defense Materials Procurement Agency

[Mineral Order 8, as Amended]

MO-8—MOLYBDENUM CONCENTRATES

REVOCATION

Mineral Order 8, as amended (16 F. R. 5431, 16 F. R. 956) is hereby revoked.

This revocation does not relieve any person of any obligation or liability incurred under Mineral Order 8, as amended, prior to the effective date hereof.

(Sec. 704, 64 Stat. 816, as amended, Pub. Law 95, 83d Cong.; 50 U. S. C. App. Sup. 2154)

This revocation is effective immediately.

Dated: August 11, 1953.

IRVING GUHEEL,
Acting Deputy Administrator.

[F. R. Doc. 53-7208; Filed, Aug. 14, 1953; 8:51 a. m.]

TITLE 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 34—CLASSIFICATION AND RATES OF POSTAGE

PART 35—PROVISIONS APPLICABLE TO THE SEVERAL CLASSES OF MAIL MATTER

PART 52—RURAL DELIVERY

PART 93—MAIL EQUIPMENT

MISCELLANEOUS AMENDMENTS

a. In Part 34 Classification and Rates of Postage, make the following changes:

1. In § 34.83 *Rates of postage on library books* add a new paragraph (e) to read as follows:

(e) *Rates of postage on sixteen-millimeter films, filmstrips, etc.* (1) The rate provided in paragraph (a) (1) of this section for books may apply to sixteen-millimeter films, filmstrips, projected transparencies and slides, microfilms, sound recordings, and catalogs of such materials when sent to or from (i) schools, colleges, universities, or public libraries, and (ii) religious, educational, scientific, philanthropic, agricultural, labor, veterans' or fraternal organizations or associations, not organized for profit and none of the net income of which inures to the benefit of any private

stockholder or individual. (Sec. 204 (e) 62 Stat. 1260, sec. 2, 67 Stat. 183; 39 U. S. C. 292a.)

(2) The films, slides, and transparencies referred to in subparagraph (1) of this paragraph shall be positive prints in final processed form for viewing. The special rate applies only to parcels of such materials addressed for local delivery, for delivery in the first, second, or third zone or within the state in which mailed. Each parcel mailed at the special rate must be clearly endorsed by the sender "Sec. 34.83 (e) P L. & R." In every case the parcel shall show the sender or the addressee to be a school, college, university, public library or a nonprofit religious, educational, scientific, philanthropic, agricultural, labor, veterans' or fraternal organization or association. If this cannot be ascertained from the address or return card, appropriate inquiry shall be made of the mailer.

(R. S. 161, 396, secs. 304, 309, 42 Stat. 24, 25, sec. 204 (e), 62 Stat. 1260, sec. 2, 67 Stat. 183; 5 U. S. C. 22 369; 39 U. S. C. 292a)

2. In § 34.84 *Rates of postage on other books* add a new paragraph (h) to read as follows:

(h) *Rates of postage on sixteen-millimeter films and catalogs.* (1) The rate provided in paragraph (a) (1) of this section for books may apply to sixteen-millimeter films and sixteen-millimeter film catalogs when sent through the mails except when sent to commercial theaters. (Sec. 204 (d) 62 Stat. 1260, sec. 1, 67 Stat. 183; 39 U. S. C. 292a.)

(2) Sixteen-millimeter films and sixteen-millimeter film catalogs may be mailed at the rate of 8 cents for the first pound or fraction thereof and 4 cents for each additional pound or fraction thereof except when sent to commercial theaters. The films shall be positive prints in final processed form, prepared for viewing. Each parcel mailed under this provision shall be clearly endorsed by the sender "Sec. 34.84 (h) P. L. & R."

(R. S. 161, 396, secs. 304, 309, 42 Stat. 24, 25, secs. 204 (e), 62 Stat. 1260, sec. 2, 67 Stat. 183; 5 U. S. C. 22, 369; 39 U. S. C. 292a)

b. In Part 35 Provisions Applicable to the Several Classes of Mail Matter, make the following changes:

1. In § 35.4 *Mailing of matter without stamps affixed* amend paragraph (h) to read as follows:

(h) *Indicia.* In the upper right corner of the address of the envelope, wrapper, address label, or tag of each separately addressed piece of such matter shall be printed by means of a printing press or other device a statement showing the amount of postage paid on the piece, the word "Paid" the name of the post office and State where mailed, the permit number, and, in the case of first-class matter, such other information as may be required, all in the form and in the size of type prescribed in instructions issued by the Bureau of Post Office Operations, except that second-class publications charged with postage at the per copy rates prescribed by § 34.41 (a) (b) (i) and (j) of this subchapter shall bear only the indicia prescribed by § 34.31 (a) of this subchapter. Matter mailed without stamps affixed under the provisions of this sections shall not be postmarked.

NOTE: See § 42.12 (d) and (e) of this subchapter as to advertisements, slogans, pictures, and insignia used in connection with meter indicia.

(R. S. 161, 396; sec. 2, 33 Stat. 440, as amended, sec. 8, 37 Stat. 557, as amended, sec. 5, 41 Stat. 583, as amended, secs. 304, 309, 42 Stat. 24, sec. 206, 43 Stat. 1067, as amended; 5 U. S. C. 22, 369, 39 U. S. C. 273, 291, 291a, 293, 295)

2. In § 35.25 *Harmless live creatures* amend paragraph (a) to read as follows:

(a) Baby alligators not exceeding 20 inches in length, baby terrapin or baby turtles not exceeding 2½ inches in length, bloodworms, chameleons, earthworms, frogs, goldfish packed in moss, hellgrammites, horned toads, hydras, leeches, lizards, meal worms, newts, planaria, salamanders, shellfish, snails, soft crabs, soft crawfish, and tadpoles may be sent in the mails to points they may reasonably be expected to reach in good condition provided they have been lawfully taken or raised and their shipment is not prohibited by law of the United States or of the State in which they were taken, raised or offered for shipment. They must be properly prepared for safe transmission without damage to other mails. The containers must be labeled "Perishable" and the nature of the contents marked thereon.

(R. S. 161, 396, secs. 304, 309, 42 Stat. 24, 25, 62 Stat. 781, as amended; 5 U. S. C. 22, 369; 18 U. S. C. 1716)

c. In Part 52 Rural Delivery make the following change:

In § 52.41 *Unstamped mail placed in rural boxes* amend paragraph (c) to read as follows:

(c) *Boxes to be used for mail only.* Mail boxes erected on rural routes shall be used exclusively for the reception of matter regularly in the mails, and any mailable matter, such as circulars and handbills deposited therein shall be treated in accordance with the rules governing the mails, including proper addressing and the payment of postage at the regular rate; except that publishers of newspapers entered to the second class of mail matter may for Sundays and national holidays only place copies of the Sunday or holiday issues in the rural and star route boxes of subscribers with the understanding that the copies will be removed from the boxes before the next day on which mail deliveries are scheduled.

(R. S. 161, 396, secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369)

d. In Part 99 Mail Equipment, make the following change:

In § 99.5 *Loan of mail sacks* rescind present paragraph (b)

(R. S. 161, 396, secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369)

[SEAL] ROSS RIZLEY,
Solicitor

[F. R. Doc. 53-7194; Filed, Aug. 14, 1953; 8:48 a. m.]

PART 127—INTERNATIONAL POSTAL SERVICE: POSTAGE RATES, SERVICE AVAILABLE, AND INSTRUCTIONS FOR MAILING

CZECHOSLOVAKIA AND PERU

In Part 127 International Postal Service: Postal Rates, Service Available, and Instructions for Mailing, make the following changes:

a. In § 127.239 *Czechoslovakia* make the following changes:

1. Amend subdivision (i) of paragraph (a) (8) to read as follows:

(i) Postage stamps and stamped papers may be exchanged commercially only through Artia, S. A., ve Smeckách 30, Prague II. Gift shipments of postage stamps and stamped papers may be sent without previous permission up to the value of 60 gold francs (about $20) To receive a shipment exceeding that limit the addressee must have permission from the above-mentioned "Artia" or, if the value exceeds 600 gold francs (about $200) an import permit from the Ministry of Foreign Commerce.

2. In paragraph (b) (5) amend subdivision (vi) by designating the information thereunder as "*(a)*" and by adding clause (*b*) to read as follows:

(*b*) The restrictions on the exchange of postage stamps shown in paragraph (a) (8) (i) of this section also apply in case of shipments by parcel post.

(R. S. 161, 396, 398, as amended; secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369, 372)

b. In § 127.328 *Peru* amend subdivision (ii) of paragraph (b) (1) as follows:

1. In the tabulated information change "Weight limit: 22,[1] 44 pounds" to read: "Weight limit: 44 pounds."

2. Delete the footnote relating to 22 lb. parcels.

(R. S. 161, 396, 398, as amended; secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369, 372)

[SEAL] ROSS RIZLEY,
Solicitor

[F. R. Doc. 53-7193; Filed, Aug. 14, 1953; 8:47 a. m.]

PART 137—FIELD SERVICE

APPOINTMENT AND REMOVAL OF POSTMASTERS

In § 137.2 *Appointment and removal of postmasters* amend paragraph (f) (1) to read as follows:

(f) *Age limits of candidates for postmastership*—(1) *At Presidential offices.* Candidates for the position of postmaster or acting postmaster at Presidential post offices must not have passed their sixty-third birthday and must meet the following minimum age requirements on the closing date for receipt of applications by the Civil Service Commission:

Third-class offices, 21 years;
Second-class offices, 25 years;
First-class offices, where receipts are less than $90,000 per annum, 25 years;

and first-class offices where receipts are $90,000 and more, 30 years.

(R. S. 161, 396, secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369)

[SEAL] ROSS RIZLEY, *Solicitor*

[F. R. Doc. 53-7192; Filed, Aug. 14, 1953; 8:47 a. m.]

TITLE 50—WILDLIFE

Chapter I—Fish and Wildlife Service, Department of the Interior

Subchapter B—Hunting and Possession of Wildlife

PART 6—MIGRATORY BIRDS AND CERTAIN GAME MAMMALS

Basis and purposes. Section 3 of the Migratory Bird Treaty Act of July 3, 1918, as amended (40 Stat. 755, 16 U. S. C. 704) authorizes and directs the Secretary of the Interior, from time to time, having due regard for the zones of temperature and to the distribution, abundance, economic value, breeding habits, and times and lines of flight of migratory birds to determine when, to what extent, and by what means, such birds, or any part, nest or egg thereof, may be taken, captured, killed, possessed, sold, purchased, shipped, carried, or transported.

On May 19, 1953, the public was invited to participate in the preparation of these regulations by submitting their views, data, or arguments, in writing to the Director, Fish and Wildlife Service, Washington, D. C., on or before July 1, 1953 (18 F. R. 3024) After due consideration of all relevant material submitted pursuant to the notice, and under authority of said statutory provision, the regulations under the Migratory Bird Treaty Act are amended and proposed to be amended as follows:

1. Section 6.3 (b) (2) is amended to read as follows:

(2) As used in this section, the terms "salt, or shelled or shucked or unshucked corn, wheat or other grains," or "other feed or means of feeding similarly used," shall not be construed as including salt blocks, properly shocked corn, standing crops (including aquatics) flooded standing crops, flooded harvested crop lands, or, in connection with the hunting of waterfowl, coot, and gallinules, grains found scattered solely as a result of normal agricultural practices, or in connection with the hunting of doves and band-tailed pigeons, grains found scattered solely as a result of normal agricultural harvesting.

2. Section 6.4 (a) is amended to read as follows:

(a) Migratory game birds may be taken from one-half hour before sunrise to sunset during the open seasons prescribed except as hereinafter provided in this section. The hour for the commencement of hunting waterfowl and coot on the first day of the season, including each first day of the split seasons, shall be 12 o'clock noon.

3. The schedules designated as subparagraphs (1) (2) (3) and (4) of § 6.4 (e) are amended as follows:

a. Subparagraph (1) *Atlantic Flyway States* is amended to change the season for rails and gallinules in Georgia from September 15–November 13 to the period September 21–November 19, and by transferring footnote 4 relating to scoter, eider and old-squaw ducks to subparagraph (5) *Atlantic Flyway States* as footnote 4.

b. Subparagraph (4) *Pacific Flyway States* is amended by including the county of Shasta in the October 16 to October 31 season for hunting band-tailed pigeons in California.

c. Footnote 1 under each of the aforementioned schedules relating to rails and gallinules is deleted and each of the remaining footnotes is renumbered in accordance with this deletion.

4. The schedules designated as subparagraphs (5) (6) (7) and (8) of § 6.4 (e) are amended to read as follows:

(5) *Atlantic Flyway States.*

MIGRATORY WATERFOWL AND COOT

	Ducks	Geese (except snow geese)	Coot	Woodcock	Wilson's snipe or jacksnipe
Daily bag limits	[1] 4	[2] 2	10	4	8
Possession limits	[1] 8	[2] 4	10	8	8
Seasons in—[3]					
Connecticut [4]	(On the basis of recommendations from the respective State game departments specific seasons of 60 consecutive days or 2 periods of 27 days each, beginning on or after Oct. 1, 1953, and ending not later than Jan. 19, 1954, will be prescribed and published.)			(On the basis of recommendations from the respective State game departments specific seasons of 40 days beginning on or after Oct. 1, 1953 and ending not later than Jan. 29, 1954, will be prescribed and published.)	(On the basis of recommendations from the respective State game departments specific seasons of 15 consecutive days beginning on or after Oct. 1, 1953 and ending not later than Jan. 19, 1954, will be prescribed and published.)
Delaware					
Florida					
Georgia					
Maine [4]					
Maryland					
Massachusetts [4] [5]					
New Hampshire [4]					
New Jersey					
New York [4] [7]					
North Carolina					
Pennsylvania					
Rhode Island [4]					
South Carolina					
Vermont					
Virginia					
West Virginia					
Puerto Rico					
District of Columbia [6]					

[1] Wood duck: No open season in West Virginia. In other States, bag and possession limit may include 1 wood duck only. Daily bag and possession limit for American and red-breasted mergansers 25 singly or in the aggregate of both kinds, hooded mergansers 1 a day or in possession.

[2] Not more than 2 geese of any kind (except snow geese) in a straight or mixed bag a day, or 4 singly or in the aggregate in possession.

[3] Brant: The seasons for hunting these birds in Connecticut, Massachusetts, New Jersey, Delaware, Georgia, Maryland, North Carolina, South Carolina, Virginia, Maine, New Hampshire, New York, Pennsylvania, Rhode Island, Vermont, and West Virginia shall run for not exceeding 14 consecutive days during the general waterfowl seasons to be prescribed for these States. Daily bag and possession limit 0.

[4] Scoter, eider and old-squaw ducks may be taken in open coastal waters only, beyond outer harbor lines, in Maine and New Hampshire from Sept. 28 to Dec. 31, in Massachusetts from Sept. 16 to Dec. 31, in Connecticut and New York from Oct. 1 to Dec. 31, and in Rhode Island from Sept. 28 to Jan. 5. In areas other than those beyond outer harbor lines such birds may be taken during the open seasons for other ducks. In these States only, the daily bag limit is 7 scoter, eider or old-squaw ducks singly or in the aggregate, and not exceeding 14 in possession singly or in the aggregate of all kinds.

[5] Only Canada geese or its subspecies may be taken in Massachusetts.

[6] No open season in District of Columbia but migratory game birds may be possessed therein in accordance with § 6.6 (c).

[7] The waterfowl season on Long Island shall be the same as in Connecticut.

(6) *Mississippi Flyway States.*

MIGRATORY WATERFOWL AND COOT

	Ducks	Geese	Coot	Woodcock	Wilson's snipe or jacksnipe
Daily bag limits	[1] 4	[2] 5	10	4	8
Possession limits	[1] 8	[2] 5	10	8	8
Seasons in—					
Alabama	(On the basis of recommendations from the respective State game departments specific seasons of 55 consecutive days or 2 periods of 25 days each, beginning on or after Oct. 1, 1953, and ending not later than Jan. 19, 1954, will be prescribed and published.)			(On the basis of recommendations from the respective State game departments specific seasons of 40 days beginning on or after Oct. 1, 1953 and ending not later than Jan. 29, 1954, will be prescribed and published.)	(On the basis of recommendations from the respective State game departments specific seasons of 15 consecutive days beginning on or after Oct. 1, 1953 and ending not later than Jan. 19, 1954, will be prescribed and published.)
Arkansas					
Illinois					
Indiana					
Iowa					
Kentucky					
Louisiana					
Michigan					
Minnesota					
Mississippi					
Missouri					
Ohio					
Tennessee					
Wisconsin [3]					

[1] Bag or possession limit may include 1 wood duck only. Daily bag and possession limit for American and red-breasted mergansers 25 singly or in the aggregate of both kinds, hooded mergansers 1 a day or in possession.

[2] Including in such limit not more than (a) 2 Canada geese or its subspecies, or (b) 2 white-fronted geese, or (c) 1 Canada goose or its subspecies and 1 white-fronted goose.

[3] Wisconsin. On the first day of the season, waterfowl, coot, and woodcock hunting may not start before 1 p. m.

(7) *Central Flyway States.*

MIGRATORY WATERFOWL AND COOT

	Ducks	Geese	Coot	Woodcock	Wilson's snipe or jacksnipe
Daily bag limits	[1] 5	[2] [3] 5	10	4	8
Possession limits	[1] 10	[2] [3] 5	10	8	8
Seasons in— Colorado [3], Kansas, Montana [3], Nebraska, New Mexico [4], North Dakota, Oklahoma, South Dakota, Texas [5], Wyoming [3]	(On the basis of recommendations from the respective State game departments specific seasons of 60 consecutive days or 2 periods of 27 days each, beginning on or after Oct. 1, 1953, and ending not later than Jan. 10, 1954, will be prescribed and published.)			(On the basis of recommendations from the respective State game departments specific seasons of 40 days beginning on or after Oct. 1, 1953 and ending not later than Jan. 20, 1954, will be prescribed and published.)	(On the basis of recommendations from the respective State game departments specific seasons of 15 consecutive days beginning on or after Oct. 1, 1953 and ending not later than Jan. 10, 1954, will be prescribed and published.)

[1] Wood duck: No open season in Colorado, Kansas, North Dakota, South Dakota, and Wyoming. In other States, bag or possession limit may include 1 wood duck only. Daily bag and possession limit for American and red-breasted mergansers 25 singly or in the aggregate of both kinds, hooded mergansers 1 a day or in possession.

[2] Including in such limit not more than (a) 2 Canada geese or its subspecies, or (b) 2 white-fronted geese, or (c) 1 Canada goose or its subspecies and 1 white-fronted goose.

[3] No open season on snow geese in Beaverhead, Gallatin, and Madison Counties in Montana, or in Colorado and Wyoming. No open season in Colorado on blue geese.

[4] The bag and possession limit on geese in New Mexico is 3 which may include not more than 2 Canada geese or its subspecies, or 2 white-fronted geese, or 1 snow goose.

[5] Texas: Black-bellied tree duck, no open season.

(8) *Pacific Flyway States.*

MIGRATORY WATERFOWL (EXCEPT BRANT [1]) AND COOT

	Ducks	Geese (except Ross's goose)	Coot	Wilson's snipe or jacksnipe
Daily bag limits	[2] 7	[3] 6	25	8
Possession limits	[2] 7	[3] 6	25	8
Seasons in— Arizona, California, Idaho [4], Nevada, Oregon, Utah, Washington, Alaska [5]	(On the basis of recommendations from the respective State game departments specific seasons of 75 consecutive days or 2 periods of 34 days each, beginning on or after Oct. 1, 1953, and ending not later than Jan. 10, 1954, will be prescribed and published.)			(On the basis of recommendations from the respective State game departments specific seasons of 15 consecutive days beginning on or after Oct. 1, 1953 and ending not later than Jan. 10, 1954, will be prescribed and published.)

[1] Brant, daily bag and possession limit 3 only during the period Dec. 1, 1953–Feb. 10, 1954.

[2] In addition 4 a day or in possession of widgeons or pintails or a mixed bag of these species. Wood duck. No open season in Arizona, Nevada, and Utah. In other Pacific Flyway States, bag or possession limit may include 1 wood duck only. Daily bag and possession limit for American and red-breasted mergansers, 25 singly or in the aggregate of both kinds, hooded mergansers 1 a day or in possession.

[3] Including in such limit not more than 3 birds of the dark species, as follows: the common Canada, white-fronted, Tule, blue, and Emperor geese.

[4] Idaho Snow geese, no open season. No open season on geese of any species in the following described area in Canyon County: Beginning at the junction of U. S. Highway 30 and State Highway 45, in the city of Nampa, thence westerly along U. S. Highway 30 to its junction with State Highway 20, thence westerly along State Highway 20 to its junction with the Lake Lowell-Marsing road, thence southerly along the Lake Lowell-Marsing road to the south end of the west embankment of Lake Lowell, thence along the oil-surfaced road bearing easterly to its junction with State Highway 45, thence northerly along State Highway 45 to its junction with U. S. Highway 30, the point of beginning.

[5] See footnote 5 under subparagraph (4) *Pacific Flyway States.*

5. Section 6.6 (c) (2) is amended to read as follows:

(2) Any migratory game birds held for picking, cleaning, storage, processing, shipment, or transportation by any person, other than the person who killed such birds, shall have a tag attached indicating the total number and kinds, the date killed, and the name and address of the owner.

(Sec. 3, 40 Stat. 755, as amended; 16 U. S. C. 704. Interpret or apply E. O. 10250, June 5, 1951, 16 F. R. 5385; CFR, 1951 Supp.)

These regulations shall become effective thirty (30) days after publication in the FEDERAL REGISTER.

Dated: August 8, 1953.

RALPH A. TUDOR,
Acting Secretary of the Interior

[F. R. Doc. 53-7107; Filed, Aug. 14, 1953; 8:45 a. m.]

TITLE 42—PUBLIC HEALTH

Chapter I—Public Health Service, Department of Health, Education, and Welfare

PART 401—ADMISSION AND OUTPATIENT TREATMENT

RATE OF REIMBURSEMENT BY LOCAL GOVERNMENTAL AUTHORITIES

Notice of proposed rule making, public rule making proceedings and postponement of effective date have been found to be unnecessary and have been omitted in the issuance of this amendment to § 401.14 (c) The sole purpose of the amendment is to enlarge the authority of the Superintendent of Freedmen's Hospital to arrange for rates of reimbursement from local governmental authorities other than the District of Columbia.

The following amendment is issued by virtue of the authority vested in the Secretary of Health, Education, and Welfare by R. S. 2038 as amended, sec. 1, 37 Stat. 172; 32 D. C. Code 317–318; Reorganization Plan No. IV, 1940; 5 U. S. C. 133t; Reorganization Plan No. 1, 1953, 18 F. R. 2053, April 11, 1953.

1. Section 401.14 (c) is amended to read as follows:

§ 401.14 *Patients referred by the District of Columbia and local governmental authorities; rates.* * * *

(c) The Superintendent of Freedmen's Hospital is authorized, with the approval of the Surgeon General and the Secretary of Health, Education, and Welfare, to enter into arrangements with county or other local governmental authorities other than the District of Columbia under which such authorities will reimburse the hospital for the care of persons residing within their respective jurisdictions, and referred by them to the hospital as indigent or part-pay patients, at rates not less than those applicable to the care of persons referred by the District of Columbia in accordance with paragraph (a) of this section: *Provided,* That if the maximum rate of reimbursement which any such local governmental authority is authorized to pay under legal restrictions in effect on July 1, 1953, is less than the rate applicable to the District of Columbia, then the maximum rate legally payable by such authority may be accepted.

2. This amendment is effective July 1, 1953.

(R. S. 2038 as amended; 32 D. C. Code 317. Interprets or applies sec. 1, 37 Stat. 172, as amended; 32 D. C. Code 318)

Dated: August 5, 1953.

[SEAL] LEONARD A. SCHEELE,
Surgeon General.

Approved: August 10, 1953.

OVETA CULP HOBBY,
Secretary.

[F. R. Doc. 53-7201; Filed, Aug. 14, 1953; 8:49 a. m.]

TITLE 46—SHIPPING

Chapter II—Federal Maritime Board, Maritime Administration, Department of Commerce

[Rev. Gen. Order 23, Amdt. 1, WSA Function Series]

PART 310—MERCHANT MARINE TRAINING

SUBPART B—REGULATIONS FOR THE GOVERNMENT OF THE UNITED STATES MARITIME SERVICE

ENROLLMENT; ORIGINAL AND REGULAR

Section 310.17 *Enrollment; original and regular* of this part (General Order 23 Revised), published in FEDERAL REGISTER issue of July 18, 1946 (11 F. R. 7810) is amended as follows:

1. In paragraph (e) of § 310.17 after the word "rank" insert the words "on administrative duty" so that paragraph (e) of § 310.17 as amended shall read:

(e) Every enrollee of officer rank on administrative duty shall be issued a commission signed by the administrator.

2. In § 310.17 add a new paragraph (f) to read:

(f) Every enrollee of officer rank on reserve or training duty shall be issued a commission signed by the commandant.

Effective date. This amendment shall become effective upon publication in the FEDERAL REGISTER.

(Sec. 216, 52 Stat. 965 as amended; 46 U. S. C. 1126)

Dated: August 11, 1953.

[SEAL] LOUIS S. ROTHSCHILD,
Maritime Administrator

[F. R. Doc. 53-7209; Filed, Aug. 14, 1953; 8:51 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Bureau of Animal Industry

[9 CFR Part 51]

TUBERCULOUS, PARATUBERCULOUS, AND BANG'S DISEASE REACTING CATTLE

INDEMNITY PAYMENTS FOR BRUCELLOSIS REACTORS

Notice is hereby given in accordance with section 4 (a) of the Administrative Procedure Act (5 U. S. C. 1003 (a)) that the Secretary of Agriculture, pursuant to the authority conferred upon him by sections 3 and 11 of the act of May 29, 1884, as amended (section 3, 23 Stat. 32, as amended; section 11, as added September 21, 1944; 58 Stat., as amended; 21 U. S. C. 114, 114a) section 2 of the act of February 2, 1903, as amended (section 2, 32 Stat. 792, as amended; 21 U. S. C. 111) and appropriate provisions of recurring annual appropriation acts for the Department of Agriculture (21 U. S. C. 129) proposes to amend the regulations in 9 CFR Part 51 with the addition of § 51.8 (o) which provides for an additional exclusion from indemnity payments for brucellosis from funds appropriated by Congress for the fiscal year 1954.

Any person who wishes to submit written data, views, or arguments in connection with the proposed amendment may do so by filing them with the Chief of the Bureau of Animal Industry, Agricultural Research Administration, United States Department of Agriculture, Washington 25, D. C., not later than 15 days after publication hereof in the FEDERAL REGISTER.

The proposed amendment is as follows:

§ 51.8 *Claims not allowed.* * * *

(o) (For brucellosis only under Plan A) If all owners of cattle within the county are not complying with State laws or regulations which provide for test of all cattle not officially excluded and slaughter of all reactors within 15 days of date of appraisal. (Plan A. Testing of cattle, permanent identification, and prompt disposal of reactors, for slaughter only, with or without vaccination of calves.)

Done at Washington, D. C., this 14th day of August 1953.

[SEAL] E. T. BENSON,
Secretary of Agriculture.

[F. R. Doc. 53-7275; Filed, Aug. 14, 1953; 10:33 a. m.]

[9 CFR Part 102]

VIRUSES, SERUMS, TOXINS, AND ANALOGOUS PRODUCTS

SPECIAL LICENSES

Notice is hereby given in accordance with section 4 of the Administrative Procedure Act (5 U. S. C. 1003) that the Secretary of Agriculture is considering amending § 102.7 of the regulations relating to viruses, serums, toxins, and analogous products (9 CFR 102.7) under the Virus-Serum-Toxin provisions of the act of March 4, 1913 (21 U. S. C. 151–158) to read as follows:

§ 102.7 *Special licenses.* (a) Special licenses may be issued in particular cases for preparation of a biological product when, in the opinion of the Chief, the laboratory and other research data available with respect to the product show that the product has value in the treatment of domestic animals but that the efficacy of the product should be further evaluated under a larger variety of conditions prior to release under a general license. A special license for such a product may include any or all of the following requirements as may be prescribed by the Chief to protect the livestock industry or other segments of the public:

(1) The product shall be prepared and tested under Bureau supervision in such manner as may be administratively determined by the Chief.

(2) The product shall be recommended for use only under such conditions as the Chief deems warranted by research data, experimentation, and other currently available information concerning it. New recommendations proposed to be made for the product after issuance of a special license shall be made only if warranted in the opinion of the Chief on the basis of research data, experimentation, and other currently available information. For the duration of the special license all advertising material for the product proposed to be used by the licensee, including general advertising letters sent to members of the veterinary profession or to others, advertisements in veterinary professional journals, and advertisements through all other media, shall be submitted to the Bureau for review and approval prior to use. Where the nature of the product so requires for the protection of the public, the product shall be recommended for use only by trained personnel.

(3) No change shall be made in the composition or method of preparation of the product without prior approval of the Chief.

(4) The licensee shall distribute the product in any State or other jurisdiction only in accordance with the requirements of such State or other jurisdiction.

(5) The licensee shall distribute the product to handlers only if such handlers (i) keep complete records showing the name and address of each purchaser of the product and the name, serial number and quantity of the product sold to such purchaser, and (ii) furnish to each veterinarian, animal owner, or other person using the product a report form approved by the Bureau, with a return envelope addressed to the licensee, marked attention Inspector, Bureau of Animal Industry, United States Department of Agriculture, which form shall contain blank spaces for stating pertinent information concerning the results obtained from use of the product. The licensee shall require each such handler to whom the product is distributed to request the users of the product to complete and return the report form.

(b) Special licenses may include such other requirements as the Chief may impose to protect the livestock industry and other segments of the public when the Chief finds that adequate protection thereof will not be afforded by the requirements set forth in paragraph (a) of this section.

(c) Notice of all requirements to be imposed under paragraph (a) or paragraph (b) of this section shall be given to the applicant for license for any product under the act as soon as possible after it is determined that such product may be licensed only under special license, and the applicant shall be afforded an opportunity to present his views with respect to such requirements.

(d) Each applicant for a special license shall furnish all information required by other provisions of the regulations in this subchapter, and all provisions of such regulations in terms applicable to a product for which a special license has been or is to be issued shall apply to such product, except insofar as such provisions are inconsistent with any requirement under this section.

(e) Each applicant for a special license shall agree to distribute the product to be covered by the license only for such use as may be authorized under the license.

Any interested persons who wish to submit comments, views, or arguments, concerning the proposed amendment may do so by filing them in writing with the Chief, Bureau of Animal Industry, U. S. Department of Agriculture, Washington 25, D. C., not later than September 11, 1953.

Done at Washington, D. C., this 11th day of August 1953.

[SEAL] TRUE D. MORSE,
Acting Secretary of Agriculture.

[F. R. Doc. 53-7193; Filed, Aug. 14, 1953; 8:49 a. m.]

Production and Marketing Administration

[7 CFR Part 51]

EGGPLANT

U. S. STANDARDS FOR GRADES

Notice is hereby given that the United States Department of Agriculture is considering the issuance of revised United States Standards for Eggplant under the authority contained in the Agricultural Marketing Act of 1946 (60 Stat. 1087; 7 U. S. C. 1621 et seq.) to supersede United States Standards for Eggplant effective December 1, 1933.

All persons who desire to submit written data, views or arguments for consideration in connection with the proposed standards should file the same with E. E. Conklin, Chief, Fresh Products Standardization and Inspection Division, Fruit and Vegetable Branch, Production and Marketing Administration, United States Department of Agriculture, South Building, Washington 25, D. C., not later than 5:30 p. m., e. s. t., on the thirtieth (30) day after the date of publication of this notice in the FEDERAL REGISTER.

The proposed standards are as follows:

§ 51.218 *Standards for eggplant*—(a) *Grades*—(1) *U. S. Fancy.* U. S. Fancy consists of eggplants of similar varietal characteristics, which are well colored, firm, clean, well shaped, and which are free from decay and worm holes and free from injury caused by scars, freezing, disease, insects, or mechanical, or other means. (See Tolerances for Defects.)

(2) *U. S. No. 1.* U. S. No. 1 consists of eggplants of similar varietal characteristics, which are fairly well colored, firm, clean, fairly well shaped, and which are free from decay and worm holes and free from damage caused by scars, freezing, disease, insects, or mechanical, or other means. (See Tolerances for Defects.)

(3) *U. S. No. 2.* U. S. No. 2 consists of eggplants which are firm and which are free from decay and free from serious damage caused by freezing, disease, insects, or mechanical, or other [illegible] (See Tolerances for Defects.)

(b) *Unclassified.* Unclassified consists of eggplants which have not been classified in accordance with any of the foregoing grades. The term "unclassified" is not a grade within the meaning of these standards but is provided as a designation to show that no grade has been applied to the lot.

(c) *Tolerances.* (1) In order to allow for variations incident to proper grading and handling, other than for size, not more than 10 percent, by count, in any lot shall be permitted for eggplants which fail to meet the requirements of the grade, including therein not more than 1 percent for decay.

(d) *Application of tolerances to individual packages.* (1) The contents of individual packages in the lot, based on sample inspection, are subject to the following limitations, provided the averages for the entire lot are within the tolerances specified for the grade:

(i) For a tolerance of 10 percent or more, individual packages in any lot may contain not more than one and one-half times the tolerance specified, except that when the package contains 15 specimens or less, individual packages may contain not more than double the tolerance specified.

(ii) For a tolerance of less than 10 percent, individual packages in any lot may contain not more than double the tolerance specified: *Provided,* That at least one specimen which does not meet the requirements shall be allowed in any one package.

(e) *Size requirements.* (1) The size of eggplants may be specified in terms of count, minimum diameter, or a range in diameter in the container. Eggplants packed at U. S. Fancy or U. S. No. 1 grade shall be reasonably uniform in size, except when a range in diameter is specified.

(i) In order to allow for variations incident to proper sizing, not more than 5 percent, by count, of the eggplants in any lot may be below any specified minimum diameter and not more than 5 percent may be above any specified maximum diameter.

(f) *Definitions.* (1) "Similar varietal characteristics" means that the eggplants in any lot are similar in type, color, and character of growth.

(2) "Well colored" means that the eggplant has a uniform good color characteristic for the variety over practically the entire surface.

(3) "Firm" means that the eggplant is not soft, flabby or shriveled.

(4) "Clean" means that the eggplant is practically free from dirt or other foreign matter.

(5) "Well shaped" means that the eggplant has the normal shape characteristic of the variety, except that the shape may be slightly irregular, provided the appearance of the eggplant is not more than slightly affected.

(6) "Injury" means any defect which more than slightly affects the appearance, or the edible or shipping quality of the eggplant. The following defect, or any combination of defects, the seriousness of which exceeds the maximum allowed for any one defect shall be considered as injury:

(i) Scars when they are slightly rough or when they are fairly smooth and more than slightly affect the appearance, shape or color of the eggplant.

(7) "Fairly well colored" means that the eggplant has a fairly good color characteristic for the variety, except that streaks of green color which do not materially affect the appearance shall be permitted.

(8) "Fairly well shaped" means that the eggplant may be slightly abnormal in shape but not to an extent that the appearance is materially affected.

(9) "Damage" means any defect which materially affects the appearance, or the edible or shipping quality of the eggplant. The following defect, or any combination of defects, the seriousness of which exceeds the maximum allowed for any one defect, shall be considered as damage:

(i) Scars when they are rough or materially cracked, or when they materially affect the appearance, shape or color of the eggplant.

(10) "Serious damage" means any defect which seriously affects the appearance, or the edible or shipping quality of the eggplant.

(11) "Diameter" means the greatest dimension of the eggplant measured at right angles to the longitudinal axis.

Done at Washington, D. C., this 12th day of August 1953.

[SEAL] GEORGE A. DICE,
Deputy Assistant Administrator, Production and Marketing Administration.

[F. R. Doc. 53-7216; Filed, Aug. 14, 1953; 8:53 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[17 CFR Part 240]

EXEMPTIONS OF CERTAIN SECURITIES OF BANKS

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given that the Securities and Exchange Commisison has under consideration a proposal to amend § 240.12a-1 (Rule X-12A-1), adopted under the Securities Exchange Act of 1934.

Section 12 (a) of the Securities Exchange Act makes it unlawful for any member of a national securities exchange, or any broker or dealer, to effect any transaction in any security (other than an exempted security) on a national securities exchange unless a registration is effective as to such security for such exchange. The present Rule X-12A-1 provides an exemption from these requirements for the following bank securities: (1) Securities as to which temporary registration expired on June 30, 1935; (2) securities of the same issuer issued in exchange for or resulting from a modification of such securities; and (3) additional shares of common stock if shares of the same class have been exempted by the rule.

The Commission is considering a proposal to amend the rule so that when a national securities exchange merges into or is absorbed by another exchange the exemption for such securities shall continue on the surviving exchange if the issuer consents. The proposed amendment is being considered at the request of the Philadelphia-Baltimore Stock Exchange and the Washington Stock Exchange which have indicated they will enter into an arrangement under which the activities of the Washington Stock Exchange will be merged into or absorbed by the Philadelphia-Baltimore Stock Exchange, and these Exchanges believe it will be in the public interest to permit the bank securities which have been traded on the Washington Stock Exchange under the rule to continue to be traded on the surviving exchange if the issuer consents.

Rule X-12A-1 now reads as follows:

§ 240.12a-1 *Temporary exemption from section 12 (a) of certain securities of banks.* (a) The following securities

of banks shall be exempt from the operation of section 12 (a) to and including the one hundred and twentieth day after the adoption of a form specifically prescribed for such securities: (1) Securities as to which temporary registration expired on June 30, 1935; (2) securities of the same issuer heretofore or hereafter issued on exchange for, or resulting from a modification of, any securities exempted from the operation of section 12 (a) of the act by this section; and (3) additional shares of common stock, heretofore or hereafter issued, if common stock of the same issuer and of the same class is exempted from the operation of section 12 (a) by this section.

(b) Sections 240.7c2–1 and 240.10b–1 (Rules X-7C2–1 and X-10B–1) shall be applicable to all securities exempted from the operation of section 12 (a) by this section.

Under the proposal the rule would be amended by adding the following provisions to the end of paragraph (a) "When a national securities exchange absorbs another such exchange on which a security is traded pursuant to the exemption provided in this section, the exemption shall continue in effect with respect to such security on the surviving exchange: *Provided*, That the surviving exchange promptly certifies to the Commission that it has approved the security for trading upon the application or consent of the issuer thereof."

The proposed amendment would be adopted pursuant to the provisions of the Securities Exchange Act of 1934, particularly sections 3 (a) (12) 12 (a) and 23 (a) thereof.

All interested persons are invited to submit their views and comments on the above proposal in writing to the Securities and Exchange Commission at its principal office, 425 Second Street NW., Washington 25, D. C., on or before September 1, 1953.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

AUGUST 10, 1953.

[F. R. Doc. 53-7196; Filed, Aug. 14, 1953; 8:48 a. m.]

NOTICES

DEPARTMENT OF THE TREASURY

Foreign Assets Control

IMPORTATION OF CERTAIN MERCHANDISE DIRECTLY FROM HONG KONG

AVAILABLE CERTIFICATIONS BY THE GOVERNMENT OF HONG KONG

Notice is hereby given that certificates of origin issued by the Department of Commerce and Industry of the Government of Hong Kong under procedures agreed upon between that government and the Foreign Assets Control are now available with respect to the importation into the United States directly, or on a through bill of lading, from Hong Kong of the following additional commodities:

Confectionery.
Shrimp sauce and paste bean curd and rice sticks.
Oysters and oyster sauce.

[SEAL] ELTING ARNOLD, *Acting Director Foreign Assets Control.*

[F. R. Doc. 53-7239; Filed, Aug. 14, 1953; 8:55 a. m.]

DEPARTMENT OF COMMERCE

Office of the Secretary

HEADS OF CERTAIN PRIMARY ORGANIZATION UNITS

DELEGATION OF CONTRACTING AUTHORITY

Paragraph 1 of the material appearing at 16 F. R. 8298 is hereby revoked and the following substituted therefor:

1. *Delegation of authority.* Pursuant to the provisions of section 161 R. S. (5 U. S. C. 22) and Reorganization Plan No. 5 of 1950, the Assistant Secretary of Commerce for Administration is hereby delegated all the authority vested in the Secretary of Commerce, subject to provisions of applicable laws and regulations, to approve advertised contracts and accompanying bonds, including annual bid bonds, or any contract which is supplemental to an advertised contract, and negotiated contracts and accompanying bonds, including annual bid bonds, or any contract suplemental thereto.

The head of each primary organization unit of the Department of Commerce and the Director of the Office of Facilities Operations and Management for the Office of the Secretary, are hereby authorized, subject to provisions of applicable laws and regulations, to approve and execute, without submission to the Assistant Secretary of Commerce for Administration:

(a) All advertised contracts and accompanying bonds, including annual bid bonds, when the amount thereof in any instance is less than $25,000, and any contract supplemental thereto when the amount thereof is less than $10,000; and

(b) All negotiated contracts and accompanying bonds, including annual bid bonds, when the amount thereof in any one instance is $500 or less (for purposes of this notice, a negotiated contract is one entered into without advertising, whether or not it falls within any of the exceptions mentioned in R. S. 3709 (41 U. S. C. 5))

Any advertised contract and accompanying bonds, including annual bid bonds, in the amount of $25,000 or more, or any contract in the amount of $10,000 or more which is supplemental to an advertised contract, and any negotiated contract and accompanying bonds, including annual bid bonds, in an amount in excess of $500 or any contract supplemental thereto, shall be submitted to the Assistant Secretary of Commerce for Administration for his approval, except that primary units may dispose of surplus property by negotiated sales without prior approval where the amount exceeds $500, when the property is a hazard to health or other property or when the property will spoil or deteriorate so rapidly as to require immediate disposition.

In the absence of the Assistant Secretary of Commerce for Administration, the Director, Office of Facilities Operations and Management, is hereby authorized to approve contracts and accompanying bonds, including annual bid bonds, referred to in the first paragraph above.

Any contract and supplement thereto and amendments thereof for services by a management or any other consulting firm shall be approved by the Assistant Secretary of Commerce for Administration, regardless of amount, prior to execution.

The authority delegated by the second paragraph above shall not include authority to execute negotiated contracts under Executive Order 10210 of February 2, 1951, unless and until appropriate regulations relating thereto are issued by the Secretary.

[SEAL] SINCLAIR WEEKS, *Secretary of Commerce.*

[F. R. Doc. 53-7203; Filed, Aug. 14, 1953; 8:50 a. m.]

DEPARTMENT OF AGRICULTURE

Office of the Secretary

COLORADO

DISASTER ASSISTANCE; DELINEATION AND CERTIFICATION OF COUNTIES CONTAINED IN THE DROUGHT AREA

Pursuant to the authority delegated to me by the Administrator of the Federal Civilian Defense Administration (18 F. R. 4609) and for the purposes of section 2 (d) of Public Law 38, 81st Congress, as amended by Public Law 115, 83d Congress, the following additional county is determined to be in the area affected by the major disaster occasioned by drought determined by the President on July 1, 1953, pursuant to Public Law 875, 81st Congress:

Colorado: Pueblo.

Done this 12th day of August 1953.

[SEAL] E. T. BENSON, *Secretary of Agriculture.*

[F. R. Doc. 53-7217; Filed, Aug. 14, 1953; 8:54 a. m.]

MONTANA

DESIGNATION OF DISASTER AREAS HAVING NEED FOR AGRICULTURAL CREDIT

Pursuant to the authority contained in section 2, of the act of April 16, 1949 (63 Stat. 44; 12 U. S. C. 1148a-2) to designate areas having a need for agricultural credit, the following designations were made:

MONTANA

The following counties were designated, on July 1, 1953, as disaster areas due to flood conditions. After June 30, 1954, disaster loans will not be made except to borrowers who previously received such assistance.

Cascade.	Liberty.
Fergus.	Pondera.
Glacier.	Teton.
Judith Basin.	Toole.
Lewis and Clark.	

The period for making initial disaster loans in the following counties, which were designated on April 9, 1952 (17 F. R. 4658, 18 F R. 264) is extended to June 30, 1954.

Blaine.	Hill.
Chouteau.	Phillips.

Done at Washington, D. C., this 11th day of August 1953.

[SEAL] TRUE D. MORSE,
Acting Secretary of Agriculture.

[F. R. Doc. 53-7197; Filed, Aug. 14, 1953; 8:48 a. m.]

FEDERAL POWER COMMISSION

[Docket No. E-6507]

DUKE POWER CO.

NOTICE OF ORDER AUTHORIZING ISSUANCE OF SECURITIES

AUGUST 11, 1953.

Notice is hereby given that on August 6, 1953, the Federal Power Commission issued its order adopted August 5, 1953, authorizing issuance of securities in the above-entitled matter.

[SEAL] J. H. GUTRIDE,
Acting Secretary.

[F. R. Doc. 53-7188; Filed, Aug. 14, 1953; 8:46 a. m.]

[Docket No. E-6511]

WISCONSIN POWER AND LIGHT CO.

NOTICE OF APPLICATION

AUGUST 10, 1953.

Take notice that on August 6, 1953, an application was filed with the Federal Power Commission, pursuant to section 203 of the Federal Power Act, by Wisconsin Power and Light Company, a corporation organized under the laws of the State of Wisconsin and doing business in said States with its principal business office at Madison, Wisconsin, seeking an order authorizing Applicant, upon purchase and acquisition by it of all of the capital stock of Interstate Power Company of Wisconsin, to merge and consolidate all of the facilities of Interstate Power Company of Wisconsin with the facilities of Wisconsin Power and Light Company. Applicant proposes to purchase from Interstate Power Company, a Delaware Corporation, 16,274 shares of common stock of Interstate Power Company of Wisconsin for $145.00 per share, totalling $2,359,730, subject to certain adjustments. Upon the acquisition of such shares of common stock of Interstate Power Company of Wisconsin from Interstate Power Company, a Delaware Corporation, Applicant will succeed, as the surviving corporation, to the interests of Interstate Power Company of Wisconsin; all as more fully appears in the application on file with the Commission.

Any person desiring to be heard, or to make any protest with reference to said application, should on or before the 31st day of August 1953, file with the Federal Power Commission, Washington 25, D. C., a petition or protest in accordance with the Commission's rules of practice and procedure. The application is on file with the Commission for public inspection.

[SEAL] J. H. GUTRIDE,
Acting Secretary.

[F. R. Doc. 53-7185; Filed, Aug. 14, 1953; 8:45 a. m.]

[Docket Nos. G-1012, G-1319, G-1554, G-1558, G-1559, G-1560, G-1568, G-1576, G-1584, G-1655, G-2077, G-2108]

ALGONQUIN GAS TRANSMISSION CO. ET AL.

NOTICE OF OPINION NO. 259 AND ORDER ISSUING CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY

AUGUST 11, 1953.

In the matters of Algonquin Gas Transmission Company Docket No. G-1319; Northeastern Gas Transmission Company, Docket No. G-1568; Texas Eastern Transmission Corporation, Docket No. G-1012; Portland Gas Light Company, Docket No. G-1554; Biddeford and Saco Gas Company, Docket No. G-1558; Gas Service, Incorporated, Docket No. G-1559; Allied New Hampshire Gas Company, Docket No. G-1560; Greenfield Gas Light Company, Docket No. G-1576; Gardner Gas, Fuel and Light Company, Docket No. G-1584; Athol Gas Company, Docket No. G-1655; Blackstone Valley Gas and Electric Company, Docket No. G-2077; Tennessee Gas Transmission Company Docket No. G-2108.

Notice is hereby given that on August 6, 1953, the Federal Power Commission issued its opinion and order adopted July 31, 1953, issuing certificates of public convenience and necessity in the above-entitled matters.

[SEAL] J. H. GUTRIDE,
Acting Secretary.

[F. R. Doc. 53-7187; Filed, Aug. 14, 1953; 8:46 a. m.]

[Docket No. G-2182]

SOUTHERN COUNTIES GAS CO. OF CALIFORNIA

NOTICE OF FINDINGS AND ORDER

AUGUST 11, 1953.

Notice is hereby given that on August 10, 1953, the Federal Power Commission issued its findings and order adopted August 5, 1953, issuing certificate of public convenience and necessity in the above-entitled matter.

[SEAL] J. H. GUTRIDE,
Acting Secretary.

[F. R. Doc. 53-7189; Filed, Aug. 14, 1953; 8:47 a. m.]

[Docket No. G-2202]

CITIES SERVICE GAS CO.

NOTICE OF APPLICATION

AUGUST 11, 1953.

Take notice that Cities Service Gas Company (Applicant), a Delaware corporation having a place of business in Oklahoma City, Oklahoma, filed on June 29, 1953, an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing the construction and operation of certain facilities for the transportation and sale of natural gas, all as hereinafter described.

The facilities which Applicant proposes to construct and operate consist of the following:

Smith Center 4-inch lateral: 1.7 miles of 8-inch line which is to replace a portion of an existing 4-inch line in Jewell County, Kans.

Osborne 4-inch lateral: 1.5 miles of 6-inch line which is to replace a portion of an existing 4-inch line in Mitchell County, Kans.

Minneapolis 3-inch lateral: 8 miles of 6-inch line which is to replace a portion of an existing 3-inch line in Lincoln County, Kans.

Luray 3- and 2-inch lateral: 5 miles of 4-inch line which is to replace a portion of an existing 2-inch line in Lincoln County, Kans.

The application recites that the installation of the proposed facilities is necessary for the purpose of meeting the increased firm demand for natural gas at the ends of lateral lines supplying the Towns of Smith Center, Osborne, Luray and Minneapolis, Kansas, and at the same time prevent the overloading of Applicant's Beloit and Ellsworth stations located in Mitchell and Ellsworth Counties, Kansas. Further, Applicant estimates that on its system proposed to be served by the facilities above described, firm demands for natural gas will increase from 16,023 Mcf (1952-1953) to 18,074 Mcf (1955-1956)

The cost of the facilities will approximate $177,410 which will be financed out of a bank credit in the amount of $15,000,000 which has been negotiated by Applicant.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 29th day of August 1953.

The application is on file with the Commission for public inspection.

[SEAL] J. H. GUTRIDE,
Acting Secretary.

[F. R. Doc. 53-7186; Filed, Aug. 14, 1953; 8:46 a. m.]

[Project No. 1951]

GEORGIA POWER CO.

NOTICE OF ORDER APPROVING EXHIBIT AND ADJUSTING ANNUAL CHARGES

AUGUST 11, 1953.

Notice is hereby given that on June 12, 1953, the Federal Power Commission issued its order adopted June 9, 1953, approving exhibit and adjusting annual charges in the above-entitled matter.

[SEAL] J. H. GUTRIDE, *Acting Secretary.*

[F. R. Doc. 53-7190; Filed, Aug. 14, 1953; 8:47 a. m.]

[Project No. 1970]

VALDEZ COLD STORAGE CORP.

NOTICE OF ORDER ISSUING LICENSE (MAJOR)

AUGUST 11, 1953.

Notice is hereby given that on June 19, 1952, the Federal Power Commission issued its order adopted June 17, 1952, issuing license (Major) in the above-entitled matter.

[SEAL] J. H. GUTRIDE, *Acting Secretary.*

[F. R. Doc. 53-7191; Filed, Aug. 14, 1953; 8:47 a. m.]

[Project No. 2128]

EAST BAY MUNICIPAL UTILITY DISTRICT

NOTICE OF APPLICATION FOR PRELIMINARY PERMIT

AUGUST 11, 1953.

Public notice is hereby given that East Bay Municipal Utility District of Oakland, California, has filed application under the Federal Power Act (16 U. S. C. 791a–825r) for preliminary permit for proposed hydroelectric Project No. 2128 (Ultimate Mokelumne River Project) to be located on Mokelumne River and South Fork of Mokelumne River in San Joaquin, Amador and Calaveras Counties, California, affecting lands of the United States. The proposed project would consist of three dams ranging in height from about 120 feet to 327 feet; three new reservoirs with a total capacity of about 338,500 acre-feet and an increase of about 17,000 acre-feet in the capacity of Pardee Reservoir by addition of crest gates at Pardee dam; two new power houses with total installed capacity of about 32,000 horsepower, and an additional installation of 20,000 horsepower at Pardee Plant; a pumping station at the proposed Camanche power house; and appurtenant hydraulic, mechanical and electrical facilities at all sites. No transmission lines are proposed. The power to be developed at the proposed project will be used by public agencies, persons, firms and corporations within the Applicant's District or in the area of the Northern California power-market. The preliminary permit, if issued, shall be for the sole purpose of maintaining priority of application for a license under the terms of the Federal Power Act for the proposed project.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with rules of practice and procedure of the Commission (18 CFR 1.8 or 1.10) on or before October 2, 1953. The application is on file with the Commission for public inspection.

[SEAL] J. H. GUTRIDE, *Acting Secretary.*

[F. R. Doc. 53-7184; Filed, Aug. 14, 1953; 8:45 a. m.]

INTERSTATE COMMERCE COMMISSION

[Drouth Order 48]

TRANSPORTATION OF HAY AND FEED TO, AND LIVESTOCK FROM AND TO, NEVADA

REDUCED RATES

In the matter of relief under section 22 of the Interstate Commerce Act.

It appearing that by reason of a prolonged drouth existing in the State of Nevada the Acting Secretary of Agriculture by letter dated August 7, 1953, has requested the Commission to enter an order under section 22 of the Interstate Commerce Act authorizing railroads subject to the Commission's jurisdiction to transport hay and feed to, and livestock from and to, Nevada at reduced rates;

It is ordered, That carriers by railroad participating in the transportation of hay and feed to, and livestock from, Nevada, and in the subsequent return of livestock to that State, be, and they are hereby, authorized under section 22 of the Interstate Commerce Act to establish and maintain until December 31, 1953, reduced rates for such transportation, the rates to be published and filed in the manner prescribed in section 6 of the Interstate Commerce Act except that they may be made effective one day after publication and filing instead of thirty.

It is further ordered, That the class of persons entitled to such reduced rates is hereby defined as shippers and consignees of carloads of hay, feed and livestock in the affected area.

It is further ordered, That during the period in which any reduced rates authorized by this order are effective the carriers may, notwithstanding the provisions of section 4 of the Interstate Commerce Act, maintain higher rates from and to directly intermediate points not in Nevada and maintain through rates in excess of the aggregate of intermediate rates over the same routes if one or more of the factors of such aggregate of intermediate rates is a reduced rate established under the authority of this order.

It is further ordered, That any tariffs or tariff provisions published under the authority of this order shall explicitly so state, making reference to this order by number and date.

And it is further ordered, That notice to the affected railroads and the general public shall be given by depositing a copy of this order in the office of the Secretary of the Commission and by filing a copy with the Director, Division of the Federal Register; and that copies be mailed to the Chairman of the Traffic Executive Association-Eastern Railroads, New York, N. Y., the Chairman of the Southern Freight Association, Atlanta, Georgia, the Chairman of the Executive Committee, Western Traffic Association, Chicago, Illinois, the Traffic Vice-President of the Association of American Railroads, Washington, D. C., and to the President of the American Short Line Railroad Association, Washington, D. C.

Dated at Washington, D. C., this 11th day of August 1953.

By the Commission.

[SEAL] GEORGE W. LAIRD, *Acting Secretary.*

[F. R. Doc. 53-7202; Filed, Aug. 14, 1953; 8:50 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-3120]

ELECTRIC ENERGY, INC.

NOTICE OF FILING REGARDING ISSUANCE OF SHORT-TERM PROMISSORY NOTES TO BANKS

AUGUST 11, 1953.

Notice is hereby given that a declaration has been filed with this Commission by Electric Energy, Inc. ("Electric Energy"), a subsidiary company of Union Electric Company of Missouri and Middle South Utilities Inc., both registered holding companies, of Illinois Power Company and Kentucky Utilities Company, both public utility companies and registered holding companies which are exempt as holding companies from the provisions of the act, and of Central Illinois Public Service Company which is exempt under section 2 (a) (7) of the act from the provisions thereof applicable to holding companies. Declarant has designated sections 6 and 7 of the act as applicable to the proposed transactions which are summarized as follows:

Electric Energy is engaged in the construction of a 6-unit electric generating station and related transmission facilities at Joppa, Illinois which are being built for the purpose of supplying up to 735,000 kw of firm power to an atomic energy project being constructed by the Atomic Energy Commission at Paducah, Kentucky. The first four generating units are referred to hereinafter as "Joppa Plant" and the remaining two units as "Joppa Plant Additions"

The financing of these facilities and the execution of various related contracts have been the subject of prior applications to this Commission, and are described in the following memorandum opinions and orders of the Commission permitting them: January 15, 1951 (Holding Company Act Release No. 10,340), June 26, 1951 (Holding Company Act Release No. 10,639) January 30, 1953 (Holding Company Act Release No. 11,689), and July 10, 1953 (Holding Company Act Release No. 12,048) The Commission's 1951 orders permitted the

issuance and sale by Electric Energy of $3,500,000 of common stock to its parent companies and $100,000,000 of 3 percent First Mortgage Sinking Fund Bonds, due 1979 ("3 percent Bonds") to two insurance companies in order to finance the Joppa Plant. The Commission's order of January 30, 1953, permitted the issuance and sale by Electric Energy of $2,700,000 of additional common stock to the parent companies and $65,000,000 of 3¾ percent First Mortgage Sinking Fund Bonds due 1982 ("3¾ percent Bonds") to the same insurance companies, the proceeds of which bonds are to be used to finance the Joppa Plant Additions. The Commission's order of July 10, 1953, permitted the issuance and sale by Electric Energy to said insurance companies of $30,000,000 of 4½ percent First Mortgage Sinking Fund Bonds, due 1979 ("4½ percent Bonds") of which the proceeds are to be used to finance increases in the cost of the Joppa Plant.

The bond purchase agreements relating to the 4½ percent Bonds contemplate that Electric Energy will sell to the insurance companies $10,000,000 of 4½ percent Bonds in July 1953 and that no additional 4½ percent Bonds will be sold until 1954. The funds required by Electric Energy for construction purposes with respect to the Joppa Plant in 1953 are estimated to be approximately $20,000,000 in excess of the $10,000,000 to be realized from the sale of said 4½ percent Bonds. Similarly, the bond purchase agreements with respect to the 3¾ percent Bonds contemplate that Electric Energy will sell to the insurance companies $10,000,000 of 3¾ percent Bonds in August 1953, and that no additional 3¾ percent Bonds will be sold until 1954. The funds required by Electric Energy for construction purposes with respect to the Joppa Plant Additions for 1953 are estimated to be approximately $10,000,000 in excess of the $10,000,000 to be realized from the sale of said 3¾ percent Bonds.

Accordingly, Electric Energy proposes, pursuant to a Credit Agreement dated July 16, 1953, to issue from time to time but not later than June 30, 1954, its promissory notes not to exceed the aggregate maximum principal amount of $30,000,000, to mature July 1, 1954, and to bear interest at the rate of 3¾ percent per annum. Said notes will be issued to the following banks ("Lenders") in the following maximum amounts:

Name of bank:	*Amount of commitment*
The Chase National Bank of the City of New York	$11,000,000
Guaranty Trust Co. of New York	11,000,000
Mercantile Trust Co	4,000,000
First National Bank in St. Louis	3,000,000
The Boatmen's National Bank of St. Louis	1,000,000
	30,000,000

Electric Energy will have the right to prepay from time to time without penalty the notes in whole or in part on five days' notice or on closing dates for the sale of additional 4½ percent or 3¾ percent Bonds. Electric Energy will pay a commitment fee of ½ of 1 percent per annum on the daily unused amount of the credit of each Lender, such commitments to be subject to termination in whole or in part by Electric Energy at any time on five days' notice.

The proceeds of said notes must be used for construction of the Joppa Plant or the Joppa Plant Additions. In connection with each borrowing, Electric Energy must certify the amount of the borrowing which is being made for construction costs of the Joppa Plant and the Joppa Plant Additions. The aggregate of the former amounts so certified may not exceed $20,000,000 and the aggregate of the latter amounts may not exceed $10,000,000. Proceeds of borrowings for costs of constructing the Joppa Plant shall be deposited in the Construction Fund under the Mortgage and Deed of Trust dated June 1, 1951, of Electric Energy, as amended by its First Supplemental Indenture dated as of July 1, 1953, securing said Bonds ("Mortgage") and proceeds of borrowings for costs of the Joppa Plant Additions shall be deposited in the Additional Construction Fund under said Mortgage. Such proceeds will thereafter be withdrawable by Electric Energy only in accordance with the provisions of the Mortgage.

Concurrently with the execution and delivery of the Credit Agreement there was executed and delivered an Implementing Agreement between Electric Energy, the Lenders, and St. Louis Union Trust Company as Trustee under said Mortgage. The Implementing Agreement provides that proceeds of borrowings deposited in the Construction Fund shall be available for the issuance of 4½ percent Bonds upon the sale of such Bonds for the purpose of providing funds to pay off the borrowings effected under the Credit Agreement for Joppa Plant construction costs. Proceeds of borrowings deposited in the Additional Construction Fund shall be available for the issuance of 3¾ percent Bonds upon the sale of such Bonds for the purpose of providing funds to pay off the borrowings effected under the Credit Agreement for construction costs of the Joppa Plant Additions. Pursuant to the Implementing Agreement, Electric Energy has instructed the insurance companies, as holders of all the Bonds issued under the Mortgage, to pay the purchase price of said Bonds to the Lenders for the purpose of retiring the indebtedness contracted under the Credit Agreement. The Implementing Agreement also contains provisions designed to give the holders of the notes issued under the Credit Agreement certain rights under the Mortgage in the event of default under the Mortgage in certain circumstances.

The insurance companies have consented to the execution and delivery of the Implementing Agreement by the Trustee under the Mortgage and to the carrying out by the Trustee of its obligations as therein set forth.

It is stated in the declaration that no State or Federal commission, other than this Commission, has jurisdiction over the proposed transactions.

The fees and expenses in connection with this financing will be furnished by amendment.

Notice is further given that any interested person may, not later than August 24, 1953, at 5:30 p. m., e. d. s. t., request the Commission in writing that a hearing be held on such matter, stating the reasons for such request, the nature of his interest and the issues of fact or law raised by said filing which he desires to controvert, or may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time after August 24, 1953, such declaration as filed or as amended, may be permitted to become effective, as provided in Rule U-23 of the rules and regulations promulgated under the act, or the Commission may exempt such transaction as provided in Rules 20 (a) and U-100 thereof.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 53-7195; Filed, Aug. 14, 1953; 8:48 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

[Vesting Order 18620, Amdt.]

SECURITIES OWNED BY NATIONALS OF FOREIGN COUNTRIES

In re: Domestic scheduled securities owned by nationals of foreign countries designated in Executive Order 8389, as amended. F-28-31704.

Vesting Order 18620, dated November 6, 1951, as amended, is hereby further amended as follows and not otherwise:

By deleting from Exhibit A, attached thereto and by reference made a part thereof, all reference to $1000 Kansas City Southern Railway Company (The) First Mortgage 3 Percent Bond due April 1, 1950, No. 12015.

All other provisions of said Vesting Order 18620, as amended, and all actions taken by or on behalf of the Attorney General of the United States in reliance thereon, pursuant thereto and under the authority thereof are hereby ratified and confirmed.

Executed at Washington, D. C., on August 12, 1953.

For the Attorney General.

[SEAL] DALLAS S. TOWNSEND,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 53-7205; Filed, Aug. 14, 1953; 8:50 a. m.]